

Sample Test Name: Accounting

(These items were developed by teachers for the Technical Skills Assessment. Below is a sample item for each program standard.)

Question 1 of 10

Which financial statement is based on the accounting equation?

- A) Balance sheet
- B) Income Statement
- C) Statement of Cash Flow
- D) Statement of Retained Earnings

Question 2 of 10

Bank service and credit card fees can be found on the monthly bank statement; where are these fees recorded?

- A) Worksheet
- B) Deposit slip
- C) Check stub
- D) Payroll register

Question 3 of 10

What information is found on a sales invoice?

- A) Discount amount and percentage paid
- B) Quantity and price
- C) Purchased items and cash amount
- D) Credit amount and startup cost

Question 4 of 10

An employee wage is \$12 per hour. Overtime is paid at time-and-one-half for hours worked beyond 40 in a single week. If the employee works 43.5 hours, what are his/her gross earnings for the week?

- A) \$480
- B) \$522
- C) \$453
- D) \$543

Question 5 of 10

Using cash basis of accounting, when is interest earned on notes receivable recorded?

- A) When a note has defaulted
- B) On receipt of payment
- C) At the end of the month
- D) When a note is written

Question 6 of 10

What type of company takes a raw product or material and creates a final product?

- A) Distribution
- B) Manufacturing
- C) Merchandise
- D) Service

Question 7 of 10

Issuing of stock and long-term borrowing are considered what type of business activity?

- A) Operating
- B) Financing
- C) Investing
- D) Management

Question 8 of 10

If per unit costs go up and sales prices stay the same, what happens to net income?

- A) Increases
- B) Doubles
- C) No change
- D) Decreases

Question 9 of 10

If the accounting software crashes, what is the BEST type of application for creating a financial statement?

- A) Word table
- B) PowerPoint
- C) Database
- D) Spreadsheet

Question 10 of 10

What are the accepted MORAL standards by which a company is governed?

- A) Ethics
- B) Law
- C) Policies
- D) Procedures

Accounting Sample Test Answer Key

Question	Answer
1.	A
2.	C
3.	B
4.	D
5.	B
6.	B
7.	B
8.	D
9.	D
10.	A