

Chapter 2: Multiple Choice Questions

In the space provided type the letter that best answers each question.

- _____1. In Chapter 2, backups are made to the following location:
- a. **The place specified for the USB drive.**
 - b. C:\Sage Software\Peachtree\Company\[file name].
 - c. X:\Exercise 1A.
 - d. D:\Chapter 1_Exercise 1-1.
 - e. None of the above.
- _____2. Cash discounts from vendors in return for early payment of an invoice are called:
- a. Sales discounts.
 - b. Returns and allowances.
 - c. **Purchase discounts.**
 - d. Markdowns.
 - e. None of the above.
- _____3. You can enter information within a lookup field by using one or more of the following keys:
- a. Type the <+> symbol.
 - b. Double-click with the mouse.
 - c. **a. or b.**
 - d. Type the invoice number.
 - e. None of the above.
- _____4. Why is it important that your coding system for vendors be consistent and logical?
- a. All vendors and customers should be identified by 3 digits.
 - b. **So that others working in your company can determine a vendor code from the company name.**
 - c. All the vendors and customer numbers are already set up for Bellwether Garden Supply so you don't have to worry about it.
 - d. All customers and vendors should be identified by the first eight letters of a company's name.
 - e. None of the above.

- _____ 5. Why are purchase orders used?
- a. To post accounting information.
 - b. To place an order with a customer.
 - c. To update the accounts payable subsidiary system.
 - d. To request items from a vendor.**
 - e. None of the above.
- _____ 6. It is important to use either upper or lowercase letters to identify a vendor because the program:
- a. Is susceptible.
 - b. Doesn't recognize numbers.
 - c. Doesn't recognize symbols.
 - d. Is case sensitive.**
 - e. None of the above.
- _____ 7. Which window do you use to add a new vendor?
- a. Maintain Vendors.**
 - b. Purchases/Receive Inventory.
 - c. Menu bar.
 - d. Select a Report.
 - e. None of the above.
- _____ 8. Going from the general ledger to the original entry window is called:
- a. Drill down.**
 - b. Coding.
 - c. Lookup.
 - d. None of the above.
 - e. All of the above.
- _____ 9. When you make an entry in the Purchases/Receive Inventory window for Armstrong's Landscaping you are debiting and crediting which accounts:
- a. Dr. Accounts Payable/Armstrong's Landscaping
Cr. Cash in Checking
Cr. Purchase Discounts
 - b. Dr. Cash
Cr. Accounts Payable
 - c. Dr. Cash
Cr. Sales
 - d. Dr. Materials Cost
Cr. Accounts Payable/Armstrong's Landscaping**
 - e. None of the above.

- ____ 10. Which of the following Navigation Bar; Vendor & Purchases selections do you use to issue a return of merchandise to a vendor?
- a. Vendors & Purchases Tasks; Purchases/Receive Inventory.
 - b. Credits & Returns; New Vendor Credit Memo.**
 - c. Sales/Invoicing.
 - d. Credit Memos.
 - e. None of the above.

ANSWER TO THE ANALYSIS QUESTION

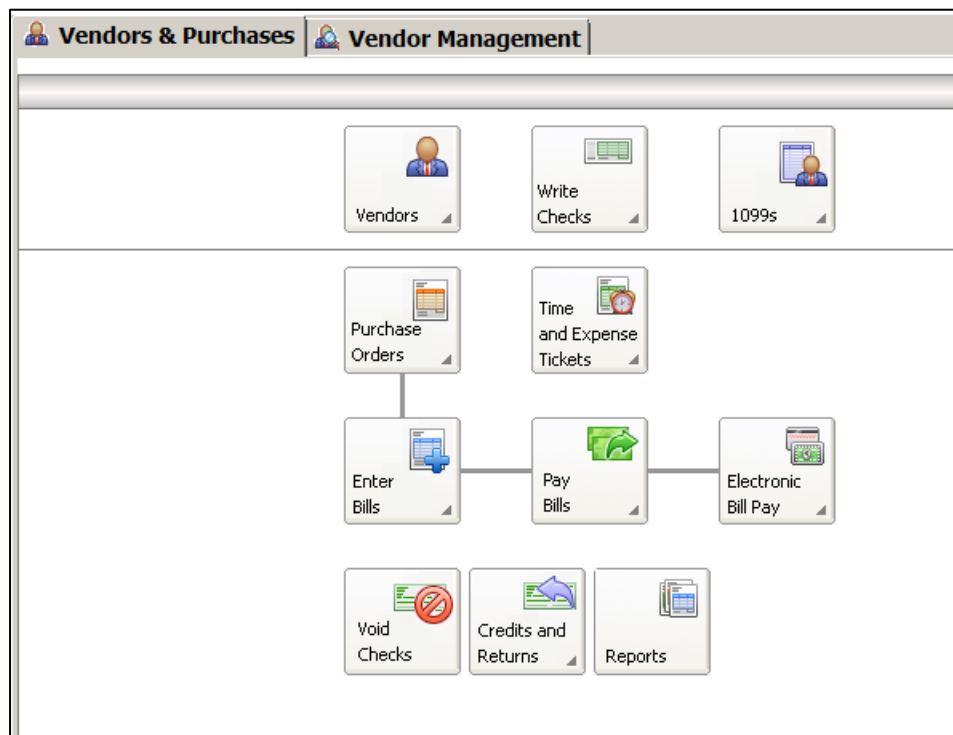
With the Vendors & Payables Navigation Center serving as the starting point to perform tasks related to Accounts Payable, list five Vendors & Purchases Tasks.

Briefly describe the Vendor Management tab.

ANSWER:

The Vendors & Purchases Navigation Center displays information and access points related to the company's vendors and purchases.

- 1) The Vendors & Purchases Tasks provides a graphic representation of the flow of vendor-related tasks, as well as access to those tasks. It also provides access to windows where you enter/maintain vendor information.



- 2) A summary of vendor information; for example, link to View Detailed List.
- 3) Access to vendor reports. For example, a link to View All Vendor & Purchases Reports.
- 4) An overview of the company's aged payables. You can also link or drill down to various areas.
- 5) Peachtree solutions include drill down to Checks & Forms and Online Bill Pay.

On the Vendor Management tab, you can see lists of information regarding transactions and history for a particular vendor, including purchase orders, purchases, and payments. This is where you want to go to see information about a particular vendor.