

## 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

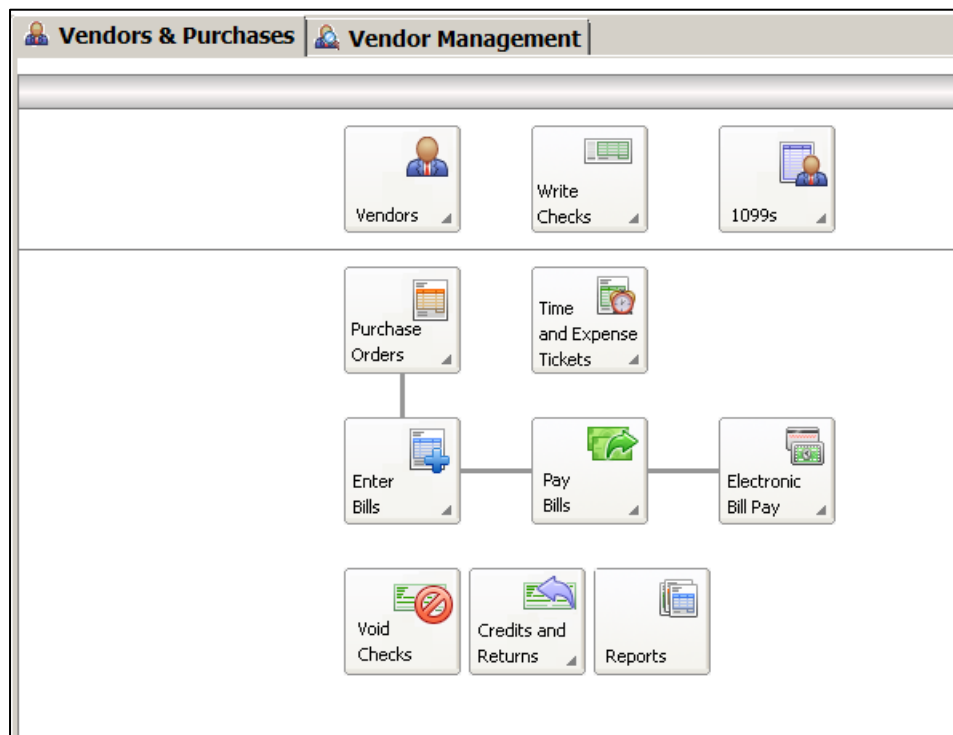
With the Vendors & Payables Navigation Center serving as the starting point to perform tasks related to Accounts Payable, list five Vendors & Purchases Tasks.

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.