Oracle NetSuite Accounting Professional – Practice Exam

About this Practice Exam

The practice exam is a helpful resource that provides an example of the format and types of questions that could appear on a NetSuite certification exam. The same authors who created exam questions wrote most of the practice questions. The practice questions illustrate a similar level of difficulty as exam questions. You can refer to the answer key for all practice questions at the end.

Remember, the practice exam might not provide a comprehensive preview of all topics presented on the certification exam. It is recommended that you review all content available in the **Certification Preparation – Accounting Professional** learning path in NetSuite MyLearn before attempting the practice or certification exams.

No practice exam questions will appear on the actual certification exam. Additionally, being able to answer all practice questions correctly does not guarantee a passing score on the certification exam.

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Practice Questions

1) While working with the Vendor Contacts list, you want to view only the vendors associated to the United Kingdom subsidiary.

   Which option allows you to temporarily view and manage the data for a single subsidiary during your current NetSuite session?

   A. Set Preferences - Restrict View
   B. Set Preferences - Transactions
   C. Subsidiary Settings Manager
   D. Setup Manager - Accounting

2) A vendor requires your business to pay a deposit before creating any orders.

   Which feature should you enable?

   A. Inbound Shipment Management
   B. Advanced Receiving
   C. Vendor Prepayments
   D. Advanced Revenue Management

3) Which account is created when the Automated Intercompany Management feature is enabled?

   A. Intercompany Accounts Receivable
   B. Intercompany Accounts Payable
   C. Cumulative Translation Adjustment-Elimination
   D. Due To

4) Company ABC needs to update a custom Notes field on a customer invoice after receiving payment. Sometimes, payments come in after the invoicing period has ended, making the invoice period closed. Even though the custom AR Analyst role has full invoice permission, they are unable to edit invoices during a closed period.

   What must be enabled for the period to allow the AR Analyst to edit the Notes field?

   A. Edit Locked Period
   B. Allow Non G/L Changes
   C. Custom Field Editing
   D. Unrestrict Accounting Periods

5) What happens if you do not select GL Impact on a Custom Segment record before saving it?

   A. The custom segment values do not populate on purchase transactions.
   B. The custom segment values do not populate on sales transactions.
   C. You cannot select GL Impact later.
   D. You can only select GL Impact at the end of the period.

6) A user saves a transaction with a transaction date within a closed period and the transaction posts to the current period.

Why is the transaction posted to the current period?

A. The default posting period for transactions entered in a closed period is set to the current period.
B. The Allow Transaction Date Outside of Posting Period preference is set to disallow**.**
C. The posting period for transactions entered in a closed period is always the current period.
D. The Allow Transaction Date Outside of Posting Period preference is set to warn.

7) Ashley's business purchased prepaid insurance contracts for one year.

What is the best solution for Ashley's team to minimize data entry and ensure correct amortization?

A. Set up insurance as Item records and add the prepaid, deferred expense account in the Expense Account field instead of tagging the insurance expense account.
B. Set up insurance contracts as Item records and use the Amortization Template field on the Item record to ensure that the correct prepaid amortization template settings are applied.
C. Associate the correct amortization template with the expense account on the Setup page. This way, when team members enter the expense account on vendor bills, the correct amortization template is associated to that line.

8) On financial statements, you want to easily see subtotals and examine account details for your business's General & Administrative (G&A) versus Research & Development (R&D) expenses.

What is a recommended practice to quickly achieve this result?

A. Customize the financial report using formula rows to calculate the subtotals of the G&A and R&D expenses account sections.
B. Set up parent accounts for the G&A and R&D expenses and select Summary.
C. Ensure the account number sequence allows the system to associate and subtotal by the account number sequence.
D. Customize the financial report using formula columns to calculate the subtotals of G&A and R&D expense amounts.

9) Megan enabled the Multiple Currencies feature and wants to have currency exchange rates update automatically.

What is the best way to do this?

A. Manually update rates between two currencies.
B. Use the Currency Exchange Rate Import feature.
C. Enable the Currency Exchange Rate integration.
D. Update the exchange rate on the individual transaction records.

10) When entering transactions, accountants sometimes choose a parent department when entering expenses instead of choosing the child department to which the expense belongs.

How can you prevent the parent department from being selected?

A. Enable the accounting preference to block parent departments from being selected.
B. Parent departments must always be available to select on transactions.
C. On the Department record, remove the subsidiaries the department is associated with.
D. On the Department List, check Show Inactives, and set the parent to Inactive.

11) While reviewing a sales order, you decide to ignore the billing schedule and invoice the remainder of the order.

Which action should you choose in NetSuite?

A. Next Bill
B. Bill Remaining
C. Close Order
D. Manage Revenue Recognition

12) ABC Company enters rent expenses monthly. The company wants to allocate this expense among different segments each period without altering the initial amount posted.

Which account should be specified on the Allocation Schedule to retain the initial amount posted in the General Ledger account?

A. Credit account
B. Source account
C. Destination account
D. Dynamic account

13) You are creating a vendor bill to be amortized, and you want to verify that the correct deferral account is impacted over the course of amortization.

What deferral account takes priority and should be used on transactions with amortizations that include items?

A. The account set on the amortization template
B. The account set on the Item record
C. The account set on the transaction
D. The account set on the Accounting Preferences page

14) Which statement is **correct** about budget setup when Multiple Budgets is enabled?

A. The Distribute and Fill buttons work for amounts entered in any period column of the Set Up Budgets page.
B. Budget category types indicate whether budgeting is done at the local subsidiary in the local currency or globally using the currency of the root subsidiary.
C. When copying a budget, only a positive amount in the Modify By field is allowed.
D. When copying a budget, you can either enter an amount in the Modify By field or select Replace, but not both.

15) Lee creates a revenue recognition rule that creates revenue plans at the time of fulfillment.

What amount source should Lee choose on the Revenue Recognition Rule record?

A. Event-Percent based on amount
B. Event-Percent based on quantity
C. Event-Percent based on date
D. Event-Percent based on fulfillment

16) You receive a bill where the item rate is different than the rate at which the item was received. The period in which the item was received is closed.

How can you resolve this variance?

A. Edit the Item Receipt record and update the item rate to match what is on the bill.
B. Run the Post Vendor Bill Variance process and create a variance journal.
C. Enter the bill with the item using correct rate, then modify the rate on the purchase order.
D. Create a separate bill and enter the correct item rate for the item with the variance.

17) After locking all transactions and working on remaining tasks on the Period Close Checklist, the status of a task did not change to Complete after reviewing and acting on the task.

What caused this behavior?

A. Previous tasks are preventing the tasks status from being completed.
B. The task was not set as Complete before returning to Period Close Checklist.
C. You lack the appropriate permission to change the status in the Period Close Checklist.
D. The status was not updated in the Period Close Checklist directly.

18) Company ABC made approvals for journal entries mandatory. The controller is attempting to delete an erroneous entry they posted and approved in an open period but cannot see an option to delete the journal entry.

How should permissions on the Controller role be set to give them this privilege? (Choose 2.)

A. Assign the Full level of the Override Period Restrictions permission.
B. Assign the Full level of the Delete Journals permission.
C. Assign the Full level of the Approve Journals permission.
D. Assign the Full level of the Make Journal Entries permission.
E. Assign the Full level of the Void Journal Entries permission.

19) A journal entry for commissions is memorized and a reminder set for the 30th of each month. As the controller, you do not calculate commission amounts until all sales are verified and the period is locked.
Because the period is locked, you are unable to post the memorized journal entry.

What steps must you take to create the journal entry?

A. You must enable the Allow Posting in Locked Period accounting preference and select the preference on the Memorized Transaction Definition page.
B. You must have the Override Period Restrictions permission and then unlock the period to post the memorized transaction.
C. You must be logged in as the Administrator and select Override Transaction Date on the Memorized Transaction Definition page.
D. You must have the Override Period Restrictions permission and then select Allow Posting in Locked Period on the Memorized Transaction Definition page.

20) For which item types on a purchase order can you click Generate Sales Order on the Manage Intercompany Sales Orders page? (Choose 2.)

A. Non-Inventory Item for Resale
B. Other Charge for Purchase
C. Service Item for Sale
D. Inventory Item
E. Service Item for Purchase

21) You approve an employee's request to purchase a $1,000 computer monitor. Your approval limit is $500.

What is the resulting status of the purchase request using basic NetSuite approval routing?

A. Approved
B. Pending Supervisor Approval
C. Rejected
D. Pending Receipt

22) Kyra is reviewing the A/P Aging detail report and notices that a vendor payment was created using a journal entry instead of the Bill Payment form. Both the journal and bill are in closed periods. Even though the A/P Summary report balances to $0.00 owed for the period, the bill remains open.

How can the open bill be set as paid?

A. Navigate to the open bill and click **[Mark as Paid]**.
B. Navigate to the open bill and click **[Make Payment]**. On the **Apply** subtab the bill is selected by default. Select the journal entry that recorded the payment.
C. Delete the vendor bill and post a journal entry to record the original payable.
D. Delete the journal entry, then navigate to the bill and click **[Make Payment]**. On the **Apply** subtab, the bill is selected by default. Adjust the amount if needed, then save the Bill Payment form.

23) The Electronic Bank Payments SuiteApp supports Positive Pay to verify checks and prevent fraud.

For which transactions can you perform Positive Pay verification? (Choose 2.)
A. Customer refund
B. Paycheck
C. Vendor bill
D. Sales invoice
E. Customer rebate

24) Prismo wants to make a deposit in NetSuite to record funds deposited into a bank account.

Which statement about making deposits in NetSuite is correct?

A. You must use the Check or Cash payment methods to add items to a deposit.
B. You can deposit funds not related to transaction payments.
C. Roles do not require permissions to make deposits.
D. All deposits must pass through the Undeposited Funds account before being posted into a bank account.

25) Which actions can you take on the Match Bank Data page to perform bank reconciliation? (Choose 2.)

A. Add transactions
B. Manually match transactions
C. Delete transactions
D. Update transaction amounts
E. Delete the statement file

26) Clicking the Bank Balance KPI on the dashboard does not show the expected bank account.

How can you change which bank account displays for the Bank Balance KPI?

A. Modify the Bank Balance KPI.
B. Set the subsidiary preference for the default bank account.
C. Set the default bank account in Accounting Preferences.
D. Set the personal preference for the default bank account.

27) George is preparing a consolidated income statement for a global distribution conglomerate with subsidiaries that use different base currencies.

When reviewing the General Rate Type field on the chart of accounts, what is the default General Rate Type associated with income statement accounts in NetSuite?

A. Average
B. Current
C. Historical
D. Median

28) Your CFO asks you to write off amounts a customer owes that are 120 days in arrears. The customer is filing for creditor protection.

   Which steps are required to write off bad debts in NetSuite? (Choose 2.)

   A. Create a journal entry to record the impact of the unpaid invoice.
   B. Create a write-off transaction.
   C. Create a return authorization.
   D. Accept a customer payment for a zero amount to remove the uncollected invoice amount.
   E. Delete the customer's unpaid invoice.

29) Rita wants to segment expenses on an Income Statement by General & Administrative and Selling Expenses, with totals for each.

   Which report row or sections must Rita add to the report to accomplish this? (Choose 2.)

   A. Expense segment row
   B. Formula row
   C. Header and Summary row
   D. Financial section
   E. Reference row

30) An auditor asked you to generate a report of all transactions over the past three years for Accounts Receivable exceeding $5,000.

   Which option lets you generate a report quickly?

   A. View Audit Trail
   B. Transaction System Notes
   C. Line-Level Audit Trail
   D. Purchase Vendor Summary

Answer Key:

Question	Answer
1	A (Set Preferences - Restrict View)
2	C (Vendor Prepayments)
3	C (Cumulative Translation Adjustment-Elimination)
4	B (Allow Non G/L Changes)
5	C (You cannot select GL Impact later.)
6	A (The default posting period for transactions entered in a closed period is set to the current period.)
7	B (Set up insurance contracts as Item records and use the Amortization Template field on the Item record to ensure that the correct prepaid amortization template settings are applied.)
8	B (Set up parent accounts for the G&A and R&D expenses and select Summary.)
9	C (Enable the Currency Exchange Rate integration.)
10	D (On the Department List, check Show Inactives, and set the parent to Inactive.)
11	B (Bill Remaining)
12	A (Credit account)
13	A (The account set on the amortization template)
14	B (Budget category types indicate whether budgeting is done at the local subsidiary in the local currency or globally using the currency of the root subsidiary.)
15	B (Event-Percent based on quantity)
16	B (Run the Post Vendor Bill Variance process and create a variance journal.)
17	B (The task was not set as Complete before returning to Period Close Checklist.)
18	C (Assign the Full level of the Approve Journals permission.) D (Assign the Full level of the Make Journal Entries permission.)
19	D (You must have the Override Period Restrictions permission and then select Allow Posting in Locked Period on the Memorized Transaction Definition page.)
20	A (Non-Inventory Item for Resale) D (Inventory Item)

21	B (Pending Supervisor Approval)
22	B (Navigate to the open bill and click **[Make Payment]** (On the **Apply** subtab the bill is selected by default. Select the journal entry that recorded the payment.)
23	A (Customer refund) B (Paycheck)
24	B (You can deposit funds not related to transaction payments.)
25	A (Add transactions) B (Manually match transactions)
26	D (Set the personal preference for the default bank account.)
27	A (Average)
28	A (Create a journal entry to record the impact of the unpaid invoice.) D (Accept a customer payment for a zero amount to remove the uncollected invoice amount.
29	C (Header and Summary row) D (Financial section)
30	A (View Audit Trail)