NetSuite Financial User Exam

Sample Test: June 2023

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About this Sample Test

None of these questions are on the Financial User Exam. Most of these questions were written by the same authors who wrote the actual exams. We have tried to write them to a similar level of difficulty as the actual exam questions, but do not guarantee this.

This sample test is provided to give you an idea of the format of questions that might be asked on the exam. However, the sample test does not provide comprehensive coverage of all topics on the test. All material listed in the Financial User Study Guide may be tested.

Being able to answer all the below questions correctly does not guarantee that you will pass the Financial User exam.

We do not publish our passing score.

The number of sample questions per test objective does not reflect the actual weighting of the exam. Any objective may have more, or fewer, questions than are presented here. All objectives have at least one sample question included here.

I. Recognize what a subsidiary is, types of subsidiaries, and how they are used.

1) What is the purpose of an elimination subsidiary?
   A. Entering non-posting transactions
   B. Posting non-auditable transactions
   C. Offsetting expenses between departments
   D. Offsetting intercompany transactions

II. Identify the general functionality of classifications (Departments|Classes|Locations) on both transactions and reporting

2) Match each classification with its common use.

   A. ___ Classes
   B. ___ Locations
   C. ___ Subsidiaries
   D. ___ Departments

   1. Company
   2. Types of sales or product lines
   3. Internal Teams
   4. Warehouses

III. Identify implications of set up and restricting access to chart of accounts.

3) Which three steps are required to prevent someone from accessing some accounts but not others? (Choose three.)
   A. Assign a Currency to the account
   B. Use the NetSuite default standard role
   C. Customize the role to restrict access by segment
   D. Designate Department | Class | Location on the account
   E. Tag the Employee record to Department | Class | Location

4) How does enabling Accounting features affect the chart of accounts?

   A. Accounts must be renumbered.
   B. Statistical accounts should be used for correct posting.
   C. The Administrator may need to create new accounts to use new features.
   D. New accounts are automatically added to the chart of accounts when needed.

IV. Identify the impact of setting the account type.

5) Which account type is non-posting?
   A. Statistical
   B. Deferred Expense
   C. Unbilled Receivable
   D. Other Current Liability

V. Recognize steps in NetSuite standard Accounts Receivable process flow.

6) What is the order of steps for the NetSuite standard accounts receivable process?

   A. Approve Sales Order > Fulfill Sales Order > Bill Sales Order
   B. Approve Sales Order > Bill Sales Order > Fulfill Sales Order
   C. Fulfill Sales Order > Approve Sales Order > Bill Sales Order
   D. Bill Sales Order > Approve Sales Order > Fulfill Sales Order

VI. Identify considerations when setting up Customer records.

7) What does the setting "Apply Payment at Top Level Customer Only" under Accounting Preferences allow for? (Choose 2.)
   A. Subcustomers cannot pay their own bills
   B. Customers may pay the bills of Subcustomers
   C. Subcustomers may pay the bills of their parent
   D. Allows Refunds and Credits at parent level.

8) What is true about multi-currency Customers?
   A. Customers may use an unlimited number of currencies.
   B. Customers can choose to pay an invoice in any currency.
   C. Subcustomers must transact in the currency of the Parent Customer.
   D. Customers are limited to the currency of the subsidiary they are linked to.

VII. Identify steps in creating NetSuite Invoices.

9) Which two statements are true about Invoices in NetSuite? (Choose two.)
   A. Invoices can be created without reference to a Sales Order.
   B. Multiple Sales Orders can generate one Invoice.
   C. Invoices can be assigned to Sales Orders after the Invoice has been created.
   D. The Electronic Invoicing SuiteApp allows sending of individual invoices or batches.

10) Which two transactions containing inventory items will post to COGS? (Choose two.)
   A. Item Return
   B. Item Fulfillment
   C. Standalone invoices
   D. Invoices created from Sales Orders

VIII. Identify steps in accepting customer payments.

11) Which statement is true about Accept Customer Payment?
   A. Customer Payments and Cash Sales have the same GL Impact.
   B. A single customer payment can be applied to multiple invoices.
   C. Customer Payment and Customer Deposit are different terms for the same transaction.
   D. Customer Payments post to Undeposited Funds when payment is questionable.

IX. Identify steps and GL impact in accepting customer deposits.

12) Which statement is true about Customer Deposits?
   A. Customer Deposits are recorded as a liability.
   B. Customer Deposits post to Accounts Receivable.
   C. Customer Deposits must be created from a Sales Order.
   D. Customer Deposits can be linked to an unapproved Sales Order.

X. Identify steps of the credit and refund process.

13) Which transaction requires a credit memo before a refund?
   A. Invoice
   B. Cash Sale
   C. Sales Order
   D. Customer Deposit

XI. Identify steps in setting up and applying billing schedules.

14) In which two places can Invoices be created based upon Billing Schedules? (Choose two.)
   A. Individually from the Sales Order
   B. Individually from the Project record
   C. In bulk from the Approve Time screen
   D. The billing queue under Bill Orders

15) Match each Billing Schedule type with how it is used.
   A. ___ Charge Based
   B. ___ Time and Material
   C. ___ Fixed Bid Milestone

   1. Based on actual costs
   2. Billing triggered as tasks in projects are completed
   3. Includes billing rates

XIII. Recognize steps in NetSuite standard Accounts Payable process flow.

16) Match each step in the standard accounts payable process with its step number.
   A. ___ Receive Item
   B. ___ Bill Purchase Order
   C. ___ Purchase Order Created
   D. ___ Purchase Requisition Entered

XIV. Identify considerations when setting up Vendor records.

17) Which two statements are true about Vendors in a OneWorld account? (Choose two.)
   A. Vendors can have multiple currencies.
   B. There is one Credit Limit value per Vendor.
   C. Vendors can only be assigned to one subsidiary.
   D. Vendors can be assigned to multiple subsidiaries.

XV. Identify steps in creating NetSuite purchase orders and bill.

18) Which statement is true about NetSuite Accounts Payable transactions?
   A. Vendor Bills must be created from a Purchase Order.
   B. Purchase Orders must have a preceding Purchase Requisition.
   C. Bill Purchase Orders page will allow you to generate multiple bills at once.
   D. Paying an Unapproved Bill will cause both Bill and Payment to post to the general ledger.

XVI. Identify steps in paying vendors.

19) Which two account types can be used to Pay Vendor Bills? (Choose two.)
    A. Bank
    B. Asset
    C. Expense
    D. Credit Card
    E. Non-Posting

XVII. Recognize steps in NetSuite default banking transactions.

20) Which account in a general ledger is being cleared when Make Deposits transaction is used?
    A. Accounts Payable
    B. Undeposited Funds
    C. Customer Deposits
    D. Accounts Receivable

XVIII. Identify implications of setting up cash and bank accounts.

21) How must a Bank Account be denominated when using the multi-currency feature?
    A. It may be denominated in any one currency.
    B. It may be denominated in multiple currencies.
    C. It must be denominated in the Base Currency of the subsidiary.
    D. It must be denominated in the Base Currency of the Root Subsidiary.

XIX. Identify steps to reconcile monthly bank and credit card statements in NetSuite.

22) What is the simplest way to post interest accrued while using the Match Bank Data page?
    A. Post a Journal Entry
    B. Use the Add Charge link
    C. Use the Add Deposit link
    D. Post a Write Check transaction

XX. Recognize how journal entries are used.

23) What is true about approving Journal Entries?
   A. Journal Entries post to the general ledger while pending approval
   B. Approve Journals permission allows you to see all journals in all subsidiaries
   C. Approving Journal Entries requires a separate permission from Creating Journal Entries
   D. A journal entry approver can post a journal entry to a closed period.

24) What is a characteristic of importing journal entries?
   A. The limit of lines for journal entry import is 1,000.
   B. The limit of lines for journal entry import is 10,000.
   C. Journal entries can only be imported using web services.
   D. Journal entries imported unbalanced must be fixed before approval.

25) Match each journal entry function with its timing.

   Answer options may be used only once.

   A. ___ Reversal Date
   B. ___ Defer Entry
   C. ___ Approve Journal Entry

   1. Delays creation
   2. Allows GL posting
   3. Allows JE reversal

26) Which statement is true about the Memorized Transactions feature?
   A. The Remind Me setting allows manual review of the transaction before it is posted.
   B. The Update Prices checkbox allows manual review of the transaction before it is posted.
   C. The Number Remaining refers to quantity of Item ordered remaining to be billed or shipped.
   D. The Remind Forever setting sends notice to the Customer that a new Invoice has been created.

XXI. Recognize differences between elimination and intercompany journal entries in setup and usage

27) What is one characteristic of Elimination Journal Entries?
   A. They are posted to only one subsidiary.
   B. They are the same as Intercompany Journal Entries.
   C. They are approved automatically when entered manually.
   D. They are used to transfer profit from one subsidiary to another.

XXII. Identify steps to create and report on budgets in NetSuite.

28) Which statement is true about Local versus Global budgets?
   A. Local budget can be entered in the currency of the parent or the child subsidiary.
   B. Global budgets can be entered in the currency of the parent or the child subsidiary.
   C. Budgets are automatically converted in reports to show in the currency context being viewed.
   D. It is recommended that either a Global or a Local budget should be used, rather than both types.

29) Which two statements are true about budgets in NetSuite? (Choose two.)
   A. Budgets can use statistical accounts
   B. Budgets set to "Enforce" prevent overspending.
   C. Global budget amounts may fluctuate when viewed in root parent currency.
   D. Local budget amounts may fluctuate when consolidated to parent subsidiary view.

30) Which statement is true about setting up NetSuite budgets?
   A. Copying budgets is not recommended.
   B. Budgets can be imported into NetSuite using CSV.
   C. Budgets must be created manually in the NetSuite user interface.
   D. Budgets can be created for multiple criteria, but only one per parameter.

XXIII. Identify steps in setting up and applying expense allocations in NetSuite.

31) Which two statements are true about setting up expense allocations? (Choose two.)
    A. The target must be one account
    B. The source must be one account.
    C. The target can be multiple accounts
    D. The source can be multiple accounts.

XXIV. Recognize the difference between fixed and dynamic allocation modes.

32) What are two differences between fixed and dynamic allocation schedules? (Choose two.)
    A. Fixed allocation requires zeroing out the source account.
    B. Dynamic allocation requires zeroing out the source account.
    C. Dynamic allocation schedules must use statistical accounts.
    D. Fixed allocation schedules must have predefined weighting that does not change.

33) How can an Expense Allocation Schedule be set up to dynamically recalculate weighting each time it is applied?
    A. Use custom segments
    B. Use a statistical account
    C. Click the Update Sample Weights button.
    D. Predefine the weighting when setting up the schedule

XXV. Identify elements unique to Financial Report Builder Interface.

34) Which row type in a Financial Report allows display of the same unmodified data from another row?
    A. Text Row
    B. Echo Row
    C. Formula Row
    D. Reference Row

XXVI. Recognize the impact of NetSuite transactions on financial reports.

35) Which report shows the total value of current assets?
    A. Balance Sheet
    B. General Ledger
    C. Profit and Loss / Income Statement
    D. Cash Flow Statement

XXVII. Recognize NetSuite recommended practices around period close and accounting/tax period structure.

36) Which statement is true about the Period Close Checklist

A. This is required for Year-End Close.
B. Tasks may be completed in any order.
C. Customer-specific steps can be added.
D. Tasks displayed depend upon features enabled.

XXVIII. Recognize options for separately managing multiple subsidiaries and multiple fiscal calendars.

37) How are fiscal calendars used by subsidiaries?

A. Each subsidiary may use its own fiscal calendar.
B. Each period may be closed separately in each subsidiary.
C. Each period must be locked in each subsidiary separately.
D. Parent-Child subsidiaries must use the same fiscal calendar

Answer Key:

1	D
2	A – 2 B – 4 C – 1 D – 3
3	C, D, E
4	D
5	A
6	A
7	A, B
8	A
9	A, D
10	B, C
11	B
12	A
13	A
14	A, D
15	A – 3 B – 1 C – 2
16	A – 3 B – 4 C – 2 D – 1
17	A, D
18	C
19	A, D
20	B
21	A
22	C
23	C
24	B
25	A – 3 B – 1 C – 2
26	A
27	A
28	C
29	A, D
30	B
31	C, D
32	C, D
33	B
34	D
35	A
36	D
37	A