

## Chapter 02

### Vendors

#### True / False Questions

1. When Bellwether Garden Supply orders inventory from vendors, Account No. 12000, Inventory is credited.

True   False

2. Vendors offer Bellwether a purchase discount for invoices paid within a discount period.

True   False

3. Accounts payable transactions refer to transactions with vendors or suppliers.

True   False

4. In order to begin where you left off the last time you used Sage 50, you use the backup feature.

True   False

5. The restore feature is used to save data to the current point in Sage 50.

True   False

6. In order to show the GL Account column on journal windows, you should uncheck the settings in Options; Global that hide the general ledger accounts.

True False

7. In Sage 50, the Purchases/Receive Inventory window is also the purchase journal.

True False

8. Clicking on the Journal icon on the Purchase Orders window takes you to the general ledger.

True False

9. When you click on the Print icon on the Purchase Orders window, you print the purchase order and also post the purchase order journal.

True False

10. In Sage 50, the Purchases/Receive Inventory window is also the purchase order journal.

True False

## Multiple Choice Questions

11. In Bellwether Garden Supply, vendors are set up using:

- A. Last name first
- B. First name first
- C. A coding system
- D. Defaults
- E. Use eight characters only.

12. Alphabetic characters in Sage 50 are:

- A. Not case sensitive
- B. Case sensitive
- C. Always uppercase
- D. Always lowercase
- E. Combination of upper and lowercase.

13. The contact name for the vendor Armenta's Landscaping is:

- A. Jesse Wood
- B. Jerry Johnson
- C. Steven Cole
- D. Albert Armenta
- E. Lilio Chomette

14. The purchase account for Armenta's Landscaping is:

- A. 57200, Materials Cost
- B. 57000, Direct Labor
- C. 57000-LS, Direct Labor - Landscaping
- D. 57200-LS, Materials Cost - Landscaping
- E. 14700, Other Current Assets

15. The following accounts are debited and credited when you purchase inventory on account:

- A. Dr. Inventory account, credit Account Receivable/vendor
- B. Dr. Accounts Payable/Vendor; Cr. expense account
- C. Dr. Inventory account; Cr. Accounts Payable/Vendor
- D. Dr. Accounts Receivable/Customer; Cr. Sales account
- E. Dr. Accounts Payable/Vendor; Cr. Inventory account.

16. The Payments window is also known as the:

- A. Cash Receipts Journal
- B. Purchases Journal
- C. Sales Journal
- D. Cash Disbursements Journal
- E. General Journal

17. To print a vendor check, you use the following menu bar selections:

- A. Reports & Forms; Accounts Receivable, Invoices, Preprint 1 Stub, Print
- B. Reports & Forms; Forms, Checks, OCR AP Laser Preprinted, Print
- C. Tasks; Payments, Check Register, Checks, Print
- D. Reports & Forms; Financial Statements, Current Period, Print
- E. Maintain; Vendors, Purchase Info tab.

18. On the Navigation Bar, make the following selections to display the Vendor Ledgers Report:

- A. Vendors & Purchases Navigation Center, link to View Detailed List and select Vendor Ledgers, Display
- B. Vendors & Purchases Navigation Center, link to View all Vendor & Purchases Reports and select Vendor Ledgers, Display
- C. Maintain; Customers/Sales Reps
- D. Customers & Sales Navigation Center, in the Vendors area, link to View Detailed List.

19. The Vendor Ledgers Report is another name for the:

- A. Accounts Receivable subsidiary ledger
- B. Inventory subsidiary ledger
- C. Accounts Payable open items report
- D. Accounts Payable subsidiary ledger
- E. Controlling account

20. The suggested file name for the first back up in Chapter 2 is:

- A. Exercise 2-1
- B. Exercise 2-2
- C. Chapters 1 & 2
- D. Chapter 2
- E. Page number and chapter number

## Chapter 02 Vendors Answer Key

### True / False Questions

1. When Bellwether Garden Supply orders inventory from vendors, Account No. 12000, Inventory is credited.

FALSE

Account No. 12000, Inventory is debited.

2. Vendors offer Bellwether a purchase discount for invoices paid within a discount period.

TRUE

3. Accounts payable transactions refer to transactions with vendors or suppliers.

TRUE

4. In order to begin where you left off the last time you used Sage 50, you use the backup feature.

FALSE

You use the restore feature to begin where you left off the last time you used Sage 50.

5. The restore feature is used to save data to the current point in Sage 50.

**FALSE**

You use Sage 50's backup feature to save data to the current point. Restore is used to start where you left off the last time you backed up a Sage 50 file.

6. In order to show the GL Account column on journal windows, you should uncheck the settings in Options; Global that hide the general ledger accounts.

**TRUE**

7. In Sage 50, the Purchases/Receive Inventory window is also the purchase journal.

**TRUE**

8. Clicking on the Journal icon on the Purchase Orders window takes you to the general ledger.

**FALSE**

Clicking on the Journal icon on the Purchase Orders window takes you to the purchase order journal.

9. When you click on the Print icon on the Purchase Orders window, you print the purchase order and also post the purchase order journal.

**TRUE**



10. In Sage 50, the Purchases/Receive Inventory window is also the purchase order journal.

**FALSE**

The Purchases/Receive Inventory window is the purchases journal.

### Multiple Choice Questions

11. In Bellwether Garden Supply, vendors are set up using:

*(p. 71)*

- A. Last name first
- B. First name first
- C.** A coding system
- D. Defaults
- E. Use eight characters only.

*Difficulty: 2 Medium*

12. Alphabetic characters in Sage 50 are:

*(p. 71)*

- A. Not case sensitive
- B.** Case sensitive
- C. Always uppercase
- D. Always lowercase
- E. Combination of upper and lowercase.

*Difficulty: 1 Easy*

13. The contact name for the vendor Armenta's Landscaping is:

(p. 72)

- A. Jesse Wood
- B. Jerry Johnson
- C. Steven Cole
- D. Albert Armenta
- E. Lilio Chomette

*Difficulty: 1 Easy*

14. The purchase account for Armenta's Landscaping is:

(p. 72)

- A. 57200, Materials Cost
- B. 57000, Direct Labor
- C. 57000-LS, Direct Labor - Landscaping
- D. 57200-LS, Materials Cost - Landscaping
- E. 14700, Other Current Assets

*Difficulty: 2 Medium*

15. The following accounts are debited and credited when you purchase inventory on account:

(p. 55)

- A. Dr. Inventory account, credit Account Receivable/vendor
- B. Dr. Accounts Payable/Vendor; Cr. expense account
- C. Dr. Inventory account; Cr. Accounts Payable/Vendor
- D. Dr. Accounts Receivable/Customer; Cr. Sales account
- E. Dr. Accounts Payable/Vendor; Cr. Inventory account.

*Difficulty: 3 Hard*

16. The Payments window is also known as the:

(p. 76)

- A. Cash Receipts Journal
- B. Purchases Journal
- C. Sales Journal
- D.** Cash Disbursements Journal
- E. General Journal

*Difficulty: 1 Easy*

17. To print a vendor check, you use the following menu bar selections:

(p. 78-

79)

- A. Reports & Forms; Accounts Receivable, Invoices, Preprint 1 Stub, Print
- B.** Reports & Forms; Forms, Checks, OCR AP Laser Preprinted, Print
- C. Tasks; Payments, Check Register, Checks, Print
- D. Reports & Forms; Financial Statements, Current Period, Print
- E. Maintain; Vendors, Purchase Info tab.

*Difficulty: 2 Medium*

18. On the Navigation Bar, make the following selections to display the Vendor Ledgers Report:

(p. 81)

- A. Vendors & Purchases Navigation Center, link to View Detailed List and select Vendor Ledgers, Display
- B.** Vendors & Purchases Navigation Center, link to View all Vendor & Purchases Reports and select Vendor Ledgers, Display
- C. Maintain; Customers/Sales Reps
- D. Customers & Sales Navigation Center, in the Vendors area, link to View Detailed List.

*Difficulty: 2 Medium*

19. The Vendor Ledgers Report is another name for the:

(p. 82)

- A. Accounts Receivable subsidiary ledger
- B. Inventory subsidiary ledger
- C. Accounts Payable open items report
- D. Accounts Payable subsidiary ledger
- E. Controlling account

*Difficulty: 1 Easy*

20. The suggested file name for the first back up in Chapter 2 is:

(p. 85)

- A. Exercise 2-1
- B. Exercise 2-2
- C. Chapters 1 & 2
- D. Chapter 2
- E. Page number and chapter number

*Difficulty: 1 Easy*