



Exam Name – Certified Professional Accountant Manager (CPAM)[™]

Exam Code – CPAM-001

Sample Exam

(Question): The formula for calculating the current ratio is...

- (A): Assets ÷ Liabilities
- (B): Revenue - Expenses
- (C): Assets - Liabilities
- (D): Assets + Liabilities

(Correct): A

(Question): The difference between financial statements and financial reports is that...

- (A): One is on paper while the other is electronic
- (B): One is in a prescribed format while the other is not
- (C): One is for public companies while the other is for private companies
- (D): All of the above
- (E): There is no difference

(Correct): B



(Question): _____ is the exercise of recording all the transactions that take place in a business.

- (A): Mathematics
- (B): Bookkeeping
- (C): Accounting
- (D): Fraud

(Correct): B

(Question): In any journal or ledger, debits always appear on the _____ side while credits always appear on the _____ side.

- (A): Left , Right.
- (B): Right, Left
- (C): Top, Bottom
- (D): Bottom, Up

(Correct): A

(Question): True or False: The cost of creating a product is referred to as the cost of goods sold.

- (A): True
- (B): False

(Correct): A



(Question): True or False: The purpose of an income statement is to show what a company owns and owes as of a specific date.

- (A): True
- (B): False

(Correct): B

(Question): If a company has 72% current assets, 14% current liabilities, and 5% long-term debt, they can be classified as _____ risk.

- (A): low
- (B): high
- (C): medium
- (D): accounting

(Correct): A