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Microsoft

MB6-871 PRACTICE EXAM

Microsoft Dynamics AX 2012 Financials

Question: 1

In Microsoft Dynamics AX 2012, which of the following statements about financial dimensions are true? (Choose all that apply.)

- A. Only the default financial dimensions are allowed.
- B. Financial dimensions can be created by using a form.
- C. Financial dimensions can be created by using a wizard.
- D. A user can create an unlimited number of financial dimensions.

Answer: D, B

Question: 2

You need to ensure that Microsoft Dynamics AX 2012 does not allow journal transactions for an account to result in a credit balance. What should you do?

- A. On the Main accounts form, in the Balance control list, select Debit.
- B. On the Main accounts form, in the DB/CR proposal list, select Debit.
- C. On the Main accounts form, in the DB/CR requirement list, select Debit.
- D. On the Main accounts form, in the Main account type list, select Profit and Loss.

Answer: A

Question: 3

In Microsoft Dynamics AX 2012, which of the following statements about a chart of accounts is true?

- A. A chart of accounts can be used for no more than one legal entity.
- B. A chart of accounts can be used for only one division of a legal entity.
- C. A separate chart of accounts can be used for each division of a legal entity.
- D. A chart of accounts can be used for multiple legal entities within an organization.

Answer: D

Question: 4

In Microsoft Dynamics AX 2012, the accounting currency is set to USD (United States dollars). You create a sales order that has a currency of CAD (Canadian dollars). When you generate the invoice, Microsoft Dynamics AX 2012 displays an error message that the account for penny differences in accounting currency is missing. You need to correct the error. What should you configure?

- A. Accounts for automatic transactions
- B. Customer posting profiles
- C. Item posting
- D. Posting definitions

Answer: A

Question: 5

In Microsoft Dynamics AX 2012, which of the following transactions can be reversed by using the Reverse Transaction functionality? (Choose all that apply.)

- A. Customer transactions that relate to sales orders.
- B. Vendor transactions that relate to purchase orders.
- C. Fixed Asset transactions that relate to fixed asset postings.
- D. General Ledger transactions that relate to general journal entries.

Answer: D, C

Question: 6

In Microsoft Dynamics AX 2012, which of the following are features of approval journals? (Choose all that apply.)

- A. Setting up journal templates with a mandatory approval setting.
- B. Adding user groups through the workflow management functionality.
- C. Applying journal templates after posting but before transferring to history.
- D. Adding an extra layer of approval control by using the posting restriction option.

Answer: D, A

Question: 7

In Microsoft Dynamics AX 2012, which of the following account types can you choose in a general journal line? (Choose all that apply.)

- A. Item
- B. Ledger
- C. Project
- D. Sales Order
- E. Vendor

Answer: E, C, B

Question: 8

In Microsoft Dynamics AX 2012, which of the following types of information are required to create a journal entry line in the General Ledger? (Choose all that apply.)

- A. Account
- B. Account name
- C. Accounting date
- D. Debit or Credit amount
- E. Dimension
- F. Offset account

G. Transaction text

Answer: F, D, C, A

Question: 9

In Microsoft Dynamics AX 2012, with which journal types can you use a voucher template? (Choose all that apply.)

- A. Accounts Payable invoice journal
- B. Accounts Payable payment journal
- C. Accounts Receivable invoice journal
- D. Accounts Receivable payment journal
- E. General Ledger general journal

Answer: E, A

Question: 10

While invoice-updating a sales order, Microsoft Dynamics AX 2012 displays the following error. Account number for transaction type Tax does not exist. You need to resolve the error. What should you do?

- A. Create a record in the item Posting form for the sales tax group that is used in the sales order.
- B. In the Customer posting profiles form, set the sales tax prepayment main account for the customer.
- C. In the Sales tax codes form, set the ledger posting group for the tax combination from the sales order.
- D. In the Ledger posting groups form, specify the main account for the corresponding ledger posting group.

Answer: D

Question: 11

You need to enable sales tax calculation in Microsoft Dynamics AX 2012. Which of the following must you set up?

- A. the sales tax code for the sales tax groups
- B. the sales tax authorities that are attached to the vendor
- C. the ledger posting group that is attached to the sales tax groups
- D. the item sales tax group that is attached to the customer, vendor, and item

Answer: A

Question: 12

You need to automatically process sales tax payment settlements. In Microsoft Dynamics AX 2012, what should you do?

- A. Use the general ledger journal settlement function.
- B. Use the Settle open transactions function in the vendor table.
- C. Use the payment journal settlement function when processing a payment.
- D. Use the Sales Tax Payment periodic job in the General Ledger module.

Answer: D

Question: 13

In Microsoft Dynamics AX 2012, which type of round-off can you apply to a sales tax group?

- A. Sales tax codes
- B. Sales tax exemptions
- C. Sales tax intervals
- D. Sales tax provisions

Answer: A

Question: 14

In Microsoft Dynamics AX 2012, what is a reason code?

- A. a system-generated code used on Audit trail reports
- B. a system-generated code used to track transaction postings
- C. a user-defined field used to post transactions
- D. a user-defined field used to provide background data about a transaction

Answer: D

Question: 15

In Microsoft Dynamics AX 2012, what is the purpose of the fill utility?

- A. To import Microsoft Excel data.
- B. To transfer sales tax information.
- C. To enable users to bulk-update records.
- D. To enable the automatic completion of form fields.

Answer: C

Question: 16

In Microsoft Dynamics AX 2012, which of the following bank account status options are available? (Choose all that apply.)

- A. Open
- B. Closed
- C. Active for all transactions
- D. Inactive for new transactions

Answer: D, C

Question: 17

In Microsoft Dynamics AX 2012, which of the following credit limit tolerances can be set up in Cash and Bank Management? (Choose all that apply.)

- A. Confirm the system prompts the user to confirm
- B. Error - the system generates an error notification
- C. Validate the system prompts the user to validate
- D. Warning - the system generates a warning notification

Answer: D, B

Question: 18

You need to delete a check from Microsoft Dynamics AX 2012. What status must the check have before it can be deleted?

- A. Created
- B. Invoiced
- C. Processed
- D. Void

Answer: A

Question: 19

You need to automatically select all vendor payments that are due within the same week. In Microsoft Dynamics AX 2012, what should you do?

- A. Configure a payment control.
- B. Configure a payment fee.
- C. Create a payment method and select Date in the Period field.
- D. Create a payment method and select Week in the Period field.

Answer: D

Question: 20

In Microsoft Dynamics AX 2012, what is the purpose of an invoice register journal?

- A. To use as a voucher template.
- B. To enter and then post invoices when they arrive.
- C. To display information about invoices that are pending approval.
- D. To pre-register invoices when they arrive and then transfer them to an invoice pool for approval.

Answer: D

Question: 21

In Microsoft Dynamics AX 2012, what is the purpose of a Payment transfer form?

- A. To generate advance payments.
- B. To verify vendor transactions that are open and approved.
- C. To manage payments that have a status of Sent and have been posted.
- D. To manage payments that have a status of Sent and have not been posted.

Answer: D

Question: 22

Your company has more than 500 customers. You plan to set up customer groups in Microsoft Dynamics AX 2012 to support the creation of the customer master. What is the minimum number of customer groups that you must set up?

- A. 1
- B. 2
- C. 4
- D. 8

Answer: A

Question: 23

In Microsoft Dynamics AX 2012, what is the process of Accounts Payable three-way invoice matching?

- A. Matching the vendor invoice, sales order, and product receipts information.
- B. Matching the vendor invoice, purchase order, and product receipts information.
- C. Matching the customer invoice, sales order, and product receipts information.
- D. Matching the customer invoice, purchase order, and product receipts information.

Answer: B

Question: 24

What types of accounts payable invoice matching can you use in Microsoft Dynamics AX 2012? (Choose all that apply.)

- A. three-way matching
- B. four-way matching
- C. charges matching
- D. sales order matching

Answer: C, A

Question: 25

In Microsoft Dynamics AX 2012, when can you use the cross-rate functionality in the Accounts Receivable Settle open transaction form?

- A. When the customer is making an advance payment.
- B. When the invoice currency and payment currency are different.

- C. When the invoice currency and payment currency are the same.
- D. When the customer invoice has been created by using a free text invoice.

Answer: B

Question: 26

In Microsoft Dynamics AX 2012, a customer has a credit balance in a customer account, but does not have a vendor account. You need to repay the credit balance. What should you do?

- A. Create a reason code in the Accounts Receivable module and then repay the credit balance.
- B. Repay the credit balance by using the Accounts Payable payment journal functionality.
- C. Repay the credit balance by using the Accounts Receivable payment journal functionality.
- D. Repay the credit balance by using a one-time vendor account automatically created by the system.

Answer: D

Question: 27

In Microsoft Dynamics AX 2012, what is two-way invoice matching?

- A. Matching the price information on the invoice to the price information on the purchase order.
- B. Matching the quantity information on the invoice to the quantity information on the purchase order.
- C. Matching the quantity information on the invoice to the quantity information on selected product receipts.
- D. Matching the price information on the intercompany sales order to the price information on the intercompany purchase order.

Answer: A

Question: 28

In Microsoft Dynamics AX 2012, what is budget control functionality?

- A. incremental budgeting
- B. zero-based budgeting
- C. a process in the Workflow Management module
- D. a method of ensuring that sufficient budget funds are available for planned or actual purchases

Answer: D

Question: 29

In Microsoft Dynamics AX 2012, which of the following statements about encumbrance accounting (also known as commitment accounting) are true? (Choose all that apply.)

- A. To use encumbrance accounting, posting definitions are required.
- B. Closing purchase order encumbrances is part of the fiscal year closing process.
- C. When the pre-encumbrance process is enabled, the encumbrance process is required.
- D. To use encumbrance accounting with budget appropriation enabled, budget control is required.

E. A sales order is a typical encumbrance transaction for which there has been an expenditure of funds.

Answer: C, A

Question: 30

On which Microsoft Dynamics AX 2012 list page can you view cash flow forecasts?

- A. All customers
- B. All sales orders
- C. All production orders
- D. All purchase requisitions

Answer: B

Question: 31

You need to set up the Microsoft Dynamics AX 2012 chart of accounts for intercompany transactions. Which ledger account type should you specify for the Due to and Due from ledger accounts?

- A. Balance sheet
- B. Profit and loss
- C. Reporting
- D. Revenue

Answer: A

Question: 32

You need to set up the main account so that the ledger transactions posted to that account are available for the foreign currency revaluation process. In the Microsoft Dynamics AX 2012 Main account form, which fields should you select? (Choose all that apply.)

- A. Consolidation account
- B. Foreign currency revaluation
- C. Mandatory reference
- D. Monetary

Answer: D, B

Question: 33

You need to post an intercompany general ledger journal. In Microsoft Dynamics AX 2012, what should you set up to enable intercompany posting? (Choose all that apply.)

- A. Set up the intercompany journal name in both companies.
- B. Set up the intercompany journal name in only one company.
- C. Set up the intercompany posting accounts in both companies.
- D. Set up the intercompany posting accounts in only one company.

Answer: C, A

Question: 34

You need to process exchange rate adjustments on eligible main accounts. In Microsoft Dynamics AX 2012, what should you do?

- A. Use the periodic General Ledger function Foreign currency revaluation.
- B. Use the periodic Accounts Payable function Foreign currency revaluation.
- C. Use the periodic Accounts Receivable function Foreign currency revaluation.
- D. Use the periodic General Ledger function Ledger accounting currency conversion.

Answer: A

Question: 35

In Microsoft Dynamics AX 2012, which of the following is a mandatory step when posting bridging accounts?

- A. Set up approvals.
- B. Post the closing account.
- C. Attach a ledger accrual to the journal line.
- D. Post a payment to a temporary main account.

Answer: D

Question: 36

You need to set up electronic vendor payments in Microsoft Dynamics AX 2012. What should you do first?

- A. Set up methods of payment in Accounts Receivable.
- B. Set up and configure electronic bank accounts in Cash and Bank Management.
- C. Set up and configure electronic customer bank accounts in Accounts Payable.
- D. Set up and configure electronic customer bank accounts in Accounts Receivable.

Answer: B

Question: 37

In Microsoft Dynamics AX 2012, which of the following is a requirement for using centralized payments?

- A. The currency codes in both companies must be the same.
- B. Companies must be connected in an organizational hierarchy.
- C. The posting profile IDs for each of the companies must be unique.
- D. The method of payment for each of the companies must be unique.

Answer: B

Question: 38

You need to import an electronic bank confirmation for a vendor payment. In Microsoft Dynamics AX 2012, which form should you use?

- A. Bank journal
- B. General ledger journal
- C. Payment journal
- D. Payment transfer journal

Answer: D

Question: 39

You need to set up Foreign Currency Consolidation in Microsoft Dynamics AX 2012 to automatically post differences that result from consolidating subsidiaries with foreign currencies. What should you set up in the General Ledger?

- A. rounding rules in the Currencies form
- B. an account for automatic Penny difference in reporting currency transactions
- C. an account for automatic Penny difference in accounting currency transactions
- D. an account for automatic Balance account for consolidation differences transactions

Answer: D

Question: 40

You need to remove consolidation transactions in Microsoft Dynamics AX 2012. What should you do?

- A. In the Consolidation form, click the Delete button.
- B. In the Consolidation form, click the Remove transactions button.
- C. In the consolidation account transactions, click the Reverse transaction button.
- D. In the general ledger journal, create reversal transactions for the consolidation transactions.

Answer: B

Question: 41

Which of the following statements about Microsoft Dynamics AX 2012 elimination journal proposals are true? (Choose all that apply.)

- A. An elimination journal proposal posts automatically.
- B. An elimination journal proposal can be run only once.
- C. An elimination journal proposal displays a preview of the results of elimination.
- D. An elimination journal proposal enables you to validate the results of elimination.

Answer: D, C

Question: 42

Which of the following statements about customer account statements in Microsoft Dynamics AX 2012 are true? (Choose all that apply.)

- A. A customer account statement displays only transactional data for a period.
- B. In a multi-company environment, a customer account statement can include transactional data for only one company.
- C. In a multi-company environment, a customer account statement can include transactional data for multiple companies.
- D. If a customer account statement includes multiple currencies, the statement displays the opening and closing balance for each currency.

Answer: D, C

Question: 43

Your company plans to charge interest on customer overdue payments. You set up the required interest codes in Microsoft Dynamics AX 2012. What is the next step?

- A. Apply the interest codes to customer groups.
- B. Apply the interest codes to the customer master.
- C. Apply the interest codes to customer parameters.
- D. Apply the interest codes to customer posting profiles.

Answer: D

Question: 44

What is the maximum number of collection letter codes that can be created for a collection letter sequence in Microsoft Dynamics AX 2012?

- A. 1
- B. 3
- C. 5
- D. 6

Answer: C

Question: 45

Which of the following statements about financial workflows in Microsoft Dynamics AX 2012 is true?

- A. There is one workflow type for each module.
- B. A workflow configuration is based on a workflow type.
- C. A workflow configuration is based on a workflow style.
- D. Within each workflow configuration, all approval nodes are used.

Answer: B

Question: 46

In Microsoft Dynamics AX 2012, which additional user interface element exists when a workflow approval is set up for a journal?

- A. A yellow information bar.
- B. A green arrow to start the workflow.
- C. A Justify button in the action pane.
- D. A Validate button in the action pane.

Answer: A

Question: 47

When posting year-end transactions in Microsoft Dynamics AX 2012, which posting layer is designed for the closing sheet?

- A. Closing
- B. Current
- C. Opening
- D. Operations

Answer: B

Question: 48

Which of the following actions can you perform when defining the fiscal year end close parameters in Microsoft Dynamics AX 2012?

- A. Delete close-of-year transactions during transfer.
- B. Create an opening balance for the new fiscal year.
- C. Set the period status to current for new fiscal periods.
- D. Set the Main accounts to the default value for the new fiscal year.

Answer: A

Question: 49

In Microsoft Dynamics AX 2012, which of the following can you analyze by using the Dimension statement? (Choose all that apply.)

- A. budget transactions
- B. cash flow forecast transactions
- C. customer balances
- D. General Ledger transactions
- E. vendor balances

Answer: D, B, A

Question: 50

In Microsoft Dynamics AX 2012, how can you identify errors and duplicates in a row definition structure before you update the existing structure?

- A. In the General Ledger module, run the Audit trail report.
- B. Run the Where used report on the Row definitions form.
- C. In the System Administration module, run the Consistency check periodic function.
- D. In the Structure designer form, select the Check check box and the Simulate check box.

Answer: D

Question: 51

What is the first step in the process of creating a new financial statement in Microsoft Dynamics AX 2012?

- A. Create a row definition.
- B. Create a dimension set.
- C. Design the financial statement row structure.
- D. Create the financial statement column definition.

Answer: B

Question: 52

In Microsoft Dynamics AX 2012, what process allows you to view inconsistencies at the bottom of a printed financial statement?

- A. Create an exceptionrow type in the row definition.
- B. Create a dimension set section in the row definition.
- C. Print the footer section of the financial statement.
- D. Print the miscellaneous section of the financial statement.

Answer: A

Question: 53

In Microsoft Dynamics AX 2012, how can you assign fixed asset numbering? (Choose all that apply.)

- A. manually
- B. automatically based on value models
- C. automatically based on fixed asset groups
- D. automatically based on a fixed asset calendar

Answer: C, A

Question: 54

In Microsoft Dynamics AX 2012, which of the following statements must be true in order to edit the calendar attached to a Depreciation book?

- A. No journals or transactions with any status exist for the Depreciation book.
- B. No journals or transactions with an Open status exist for the Depreciation book.
- C. No journals or transactions with a Closed status exist for the Depreciation book.
- D. No journals or transactions with a Suspended status exist for the Depreciation book.

Answer: A

Question: 55

In Microsoft Dynamics AX 2012, where can you review value models that are linked to a fixed asset?

- A. In the corresponding main account.
- B. In the Fixed asset group form.
- C. In the Fixed asset parameters form.
- D. In the Fixed asset posting profile form.

Answer: B

Question: 56

Which of the following statements about the Microsoft Dynamics AX 2012 Depreciation book is true?

- A. The Depreciation book cannot be re-run while the periods are open for the Depreciation book.
- B. The Depreciation book can be re-run only one time before the periods are closed for the Depreciation book.
- C. The Depreciation book can be re-run only two times before the periods are closed for the Depreciation book.
- D. The Depreciation book can be re-run as many times as necessary while the periods are open for the Depreciation book.

Answer: D

Question: 57

In Microsoft Dynamics AX 2012 which journal type should you use in the Journal name form if budgets for fixed assets are required?

- A. Daily
- B. Periodic
- C. Post fixed asset
- D. Fixed asset budget

Answer: D

Question: 58

You enter a new fixed asset, number FUR-ELC000136, in Microsoft Dynamics AX 2012. When you validate the acquisition journal for the new fixed asset, the system displays the following message:

Account for the transaction type, value model, does not exist for fixed asset FUR-ELC000136.
What is the cause of the problem?

- A. The offset account does not exist in the Acquisition journal name form.
- B. The main account for the acquisition transaction type does not exist in the value model.
- C. The main account for the acquisition transaction type does not exist in the main account table.
- D. The main account for the acquisition transaction type does not exist in the fixed asset posting profile.

Answer: D

Question: 59

In Microsoft Dynamics AX 2012, where do you set up the capitalization threshold?

- A. In the Fixed Asset groups.
- B. In the Inventory parameters.
- C. In the Inventory item groups.
- D. In the General Ledger main accounts.

Answer: A

Question: 60

Which of the following statements about value models for fixed assets in Microsoft Dynamics AX 2012 is true?

- A. Value models are a subset of the value of a fixed asset.
- B. Value models are optional when setting up depreciation for a fixed asset.
- C. Value models connect all financial information about fixed assets.
- D. Value models are used to assign additional life cycles to a fixed asset.

Answer: C

Question: 61

You need to record fixed asset transactions by using journals. In Microsoft Dynamics AX 2012, what should you do?

- A. Create transaction text with the type Fixed asset Posting, Ledger.
- B. In the General Ledger, create a journal for a Depreciation book.
- C. In the General Ledger, create a journal name with the journal type Post fixed assets.
- D. In the General Ledger, create a journal name with the journal type Fixed assets budget.

Answer: C

Question: 62

You set up an asset in Microsoft Dynamics AX 2012. What is the initial status of the value model?

- A. Open
- B. Closed

- C. Suspended
- D. Not yet acquired

Answer: D

Question: 63

You need to assign bar codes to fixed assets in Microsoft Dynamics AX 2012. What should you do?

- A. Set up special number sequences on each fixed asset group.
- B. Set up number sequences on Inventory module parameters.
- C. Set up number sequences on General Ledger module parameters.
- D. Set up number sequences on Accounts Payable module parameters.

Answer: A

Question: 64

You set up a fixed asset in Microsoft Dynamics AX 2012. You select the Allow asset acquisition from purchasing fixed asset parameter. What is the initial status of the fixed asset?

- A. Open
- B. Scrapped
- C. Suspended
- D. Not yet acquired

Answer: A

Question: 65

You need to loan fixed assets in Microsoft Dynamics AX 2012. What should you do?

- A. Use the fixed asset journal.
- B. Use the inventory to fixed asset journal.
- C. Use the Loaned equipment periodic function.
- D. Click the Lend button on the Fixed asset form.

Answer: D

Question: 66

In Microsoft Dynamics AX 2012, you enter a fixed asset that is associated with a project into the Project form. Which project types can you use for the fixed asset? (Choose all that apply.)

- A. Cost
- B. Fixed price
- C. Internal
- D. Investment
- E. Time

F. Time and material

Answer: D, C, A

Question: 67

In Microsoft Dynamics AX 2012, where do you enter a budget for a fixed asset?

- A. In the fixed asset journal.
- B. In the Fixed asset group form.
- C. In the Fixed asset parameters form.
- D. In the fixed asset budget journal and directly on each fixed asset.

Answer: D

Question: 68

In Microsoft Dynamics AX 2012, which transaction type can be used for fixed asset disposal?

- A. Acquisition adjustment
- B. Depreciation adjustment
- C. Provision for reserve
- D. Write down

Answer: C

Question: 69

You need to enter fixed asset acquisitions into Microsoft Dynamics AX 2012. Where can you do this?

- A. In the general journal of the General Ledger module.
- B. In the payment journal of the Accounts Payable module.
- C. In the payment journal of the Accounts Receivable module.
- D. In the Free text invoice form of the Accounts Receivable module.

Answer: A

Question: 70

In Microsoft Dynamics AX 2012, you generate a fixed assets acquisition transaction directly from a purchase order invoice. Where will the associated General Ledger postings be made?

- A. To only the Fixed asset issue account.
- B. To only the Fixed asset receipt account.
- C. To only the Fixed asset suspense account.
- D. To the Fixed asset issue and Fixed asset receipt accounts.

Answer: D

Question: 71

In Microsoft Dynamics AX 2012, which of the following statements about depreciation for assets that have not yet been acquired is true? (Choose all that apply.)

- A. You cannot post depreciation for the assets.
- B. You can post depreciation for the assets by using depreciation proposals.
- C. You can post depreciation for the assets by using the depreciation books journal.
- D. You can generate depreciation for the assets by using depreciation proposals and specifying a future posting date.

Answer: D, A

Question: 72

You need to automatically create a fixed asset from a purchase order when an invoice is posted. In Microsoft Dynamics AX 2012, which of the following actions should you perform?

- A. Configure the fixed asset posting profile.
- B. Configure the fixed asset acquisition methods.
- C. Select the Allow asset acquisition from Purchasing fixed asset parameter.
- D. Select the Check for fixed assets creation during line entry fixed asset parameter.
- E. Select the Create asset during product receipt or invoice posting fixed asset parameter.

Answer: E

Question: 73

In Microsoft Dynamics AX 2012, which fixed asset transaction can you process in the Free text invoice form?

- A. Acquisition
- B. Acquisition adjustment
- C. Disposal sale
- D. Disposal scrap

Answer: C

Question: 74

Which type of fixed asset value adjustment is available in Microsoft Dynamics AX 2012?

- A. Disposal sale
- B. Disposal scrap
- C. Provision for reserve
- D. Write up adjustment

Answer: D

Question: 75

In Microsoft Dynamics AX 2012, which fixed asset transaction type can post simultaneously with standard fixed asset depreciation?

- A. Bonus depreciation
- B. Depreciation adjustment
- C. Extraordinary depreciation
- D. Summarize depreciation

Answer: C
