GMETRIX QUICKBOOKS CERTIFIED USER (QBCU) ONLINE PRACTICE EXAM (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

1. **What information must be entered when creating a journal entry in QuickBooks Online?**
   A. Date, debit and credit lines, and Save.
   B. Client name and due date.
   C. Bank account reconciliation.
   D. Tax rate and item.

2. **Which accounting method records revenue when earned and expenses when incurred?**
   A. Cash basis
   B. Accrual
   C. Modified cash basis
   D. Hybrid

3. **What is a billable expense and how is it billed?**
   A. An expense recorded as billable can be charged to a customer by creating an invoice or adding to an invoice with Billable selected.
   B. A payment made to vendor recorded as expense.
   C. A purchase order.
   D. A credit from supplier.

4. **How do you issue a credit memo to a customer?**
   A. Create a Credit Memo from +New > Credit Memo; do not apply it.
   B. Apply a Credit Memo to the relevant invoice.
   C. Create a Credit Memo from +New > Credit Memo, apply it to the relevant invoice or issue a refund.
   D. Refund the customer directly without a credit memo.

5. **Where in the app does one go to add a user?**
   A. View - User Management
   B. Settings - Manage Users
   C. Tools - User Access
   D. Company - Users

6. Where do you go to initiate payment to a vendor?

A. Customers

B. Banking

C. Reports

D. Vendors

7. What is the difference between a bill and an expense?

A. A bill records a liability until paid; an expense records a payment at the time of purchase.

B. A bill is paid immediately; an expense is recorded as debt.

C. Bills are for payroll; expenses are for purchases.

D. Bills are customer invoices; expenses are vendor invoices.

8. Which report shows the value of inventory on hand?

A. Profit and Loss

B. Balance Sheet

C. Inventory Valuation report

D. Accounts Receivable Aging

9. What is the correct method to record a payment received against an existing invoice?

A. Create a Credit Memo.

B. Record a Journal Entry.

C. Receive Payment.

D. Issue a Refund.

10. How do you create a purchase order in QuickBooks Online?

A. +New > Purchase Order, select vendor, add items, and Save.

B. +New > Invoice, then Convert to PO.

C. +New > Bill

D. +New > Check

Answers

1. A
2. B
3. A
4. C
5. B
6. D
7. A
8. C
9. C
10. A

Explanations

1. **What information must be entered when creating a journal entry in QuickBooks Online?**

   A. Date, debit and credit lines, and Save.

   B. Client name and due date.

   C. Bank account reconciliation.

   D. Tax rate and item.

Journal entries use double entry accounting, so every entry records an amount as a debit on one or more accounts and a corresponding credit on other accounts. When creating one in QuickBooks Online, you must specify the date and add at least two lines: a debit line and a credit line with the appropriate accounts and amounts. The debits and credits must balance, and you finalize by saving the entry. Other items like a client name and due date belong to invoices, bank reconciliation is a separate process, and tax rate or item details are used with sales or purchases rather than a basic journal entry.

2. **Which accounting method records revenue when earned and expenses when incurred?**

   A. Cash basis

   B. Accrual

   C. Modified cash basis

   D. Hybrid

The question tests understanding of when revenue and expenses are recognized in the accounting method. Accrual accounting records revenue when it is earned and expenses when they are incurred, regardless of when cash actually changes hands. This follows the revenue recognition principle and the matching principle, providing a more accurate picture of a period's performance and financial position. Why this is the best fit: If a service is performed in one period but the customer pays later, accrual recognizes the revenue in the period of service. Similarly, if an item is used or an obligation is incurred to earn revenue, the expense is recorded in that same period, even if payment occurs later. This timing aligns income with the activities that generate it and aligns expenses with the related revenues, giving a truer view of profitability. In contrast, cash basis would wait to record revenue until cash is received and expenses until cash is paid, which can distort timing and profitability. A modified cash basis or hybrid method mixes approaches for specific items, but the defining feature of the described approach is accrual recognition of revenue earned and expenses incurred.

3. **What is a billable expense and how is it billed?**

   A. An expense recorded as billable can be charged to a customer by creating an invoice or adding to an invoice with Billable selected.

   B. A payment made to vendor recorded as expense.

   C. A purchase order.

   D. A credit from supplier.

A billable expense is an expense you incur on behalf of a customer that you intend to charge back to that customer. When you record the expense, you mark it as billable and assign it to the specific customer or job. Later, while creating or updating the customer's invoice, you can add those billable expenses to the invoice so the customer is billed for the actual costs you paid. For example, if you buy supplies for a client's project, you can record that purchase as a billable expense and link it to that client. When you generate the invoice for the client, you'll be able to include that expense on the invoice, so the client pays you back for the cost. Other options don't fit because they're not charges billed to a customer. A payment to a vendor recorded as an expense is just an expense item for your own records. A purchase order is a request to purchase goods, not an expense you bill the client. A supplier credit is a credit from the vendor, not an expense you bill to a customer.

4. How do you issue a credit memo to a customer?

A. Create a Credit Memo from +New > Credit Memo; do not apply it.

B. Apply a Credit Memo to the relevant invoice.

C. Create a Credit Memo from +New > Credit Memo, apply it to the relevant invoice or issue a refund.

D. Refund the customer directly without a credit memo.

A credit memo is a record of a customer credit that reduces what they owe or is returned as cash. To issue one, you start by creating the credit memo from the +New menu. Once it's created, you can either apply it to the relevant invoice to decrease the amount due, or issue a refund if cash back is appropriate. This approach keeps the customer's balance and your books accurate. Creating a credit memo without applying it leaves the credit unallocated, and issuing a refund without first documenting the credit misses the proper tracking in your records.

5. Where in the app does one go to add a user?

A. View - User Management

B. Settings - Manage Users

C. Tools - User Access

D. Company - Users

To add a user, go to the Settings menu (the gear icon) and choose Manage Users. This area is specifically designed for handling who has access to the company file, including adding new users, inviting them by email, and assigning their roles and permissions. That focus on user access in one place is why this path is the correct choice. The other options don't fit because they either imply only viewing users, point to a different tools area, or refer to navigation typical of a desktop version rather than QuickBooks Online. Here you directly manage and add users, which is what you need.

6. Where do you go to initiate payment to a vendor?

A. Customers

B. Banking

C. Reports

D. Vendors

Initiating a payment to a vendor happens in the Vendors area because that's where payables are managed. In QuickBooks Online, you review outstanding bills for a vendor and start the payment from that vendor's records (choose Pay Bills or use Write Check to record the payment). The other sections serve different purposes: Customers handles money received, Reports shows summaries of data, and Banking deals with bank transactions and reconciliations, not the act of paying a vendor.

7. What is the difference between a bill and an expense?

A. A bill records a liability until paid; an expense records a payment at the time of purchase.

B. A bill is paid immediately; an expense is recorded as debt.

C. Bills are for payroll; expenses are for purchases.

D. Bills are customer invoices; expenses are vendor invoices.

Think of it as timing and where the impact shows up in financials. A bill is a promise to pay a vendor, so recording a bill creates a liability on the balance sheet (you now owe money) and that liability stays until you make the payment. An expense, meanwhile, is the cost recognized in your income statement for goods or services you've used in the period. It reflects the actual consumption of resources, affecting net income, and is recorded in the period when the cost is incurred or when you pay it, depending on how you enter the transaction. The option you chose describes this distinction clearly: a bill records a liability until paid, and an expense records a payment at the time of purchase. That captures the essential difference between promising to pay later and recognizing the cost in your books. The other statements mix up who's paying, when payroll versus purchases occur, or what a bill versus an expense represents, which doesn't align with how bills (liabilities) and expenses (costs recognized in the period) function in accounting.

8. Which report shows the value of inventory on hand?

A. Profit and Loss

B. Balance Sheet

C. Inventory Valuation report

D. Accounts Receivable Aging

The on-hand value of inventory is best shown by a report that breaks down stock by item and calculates its current value. The Inventory Valuation report lists each inventory item with its on-hand quantity and the value of that stock, giving you the total value of inventory currently on hand. This makes it the most direct source for understanding how much your inventory is worth right now. While the Balance Sheet does reflect inventory as an asset, it aggregates the value rather than listing each item's on-hand value, so it doesn't provide the itemized view that the Inventory Valuation report offers. The Profit and Loss report tracks income and expenses, and Accounts Receivable Aging shows outstanding customer balances—neither focuses on the inventory's current value.

9. What is the correct method to record a payment received against an existing invoice?

A. Create a Credit Memo.

B. Record a Journal Entry.

C. Receive Payment.

D. Issue a Refund.

When a customer pays you on an open invoice, use the Receive Payment routine. This workflow ties the cash received to the outstanding invoice, reducing the customer's Accounts Receivable balance and increasing cash or undeposited funds, and it lets you apply the payment to one or more invoices as needed. A credit memo is used to issue a credit to the customer, not to record a new payment against an existing invoice. A journal entry bypasses the standard customer-payment flow and can complicate reconciliations. A refund would send money back to the customer, not record the payment you received. So the correct method is Receive Payment.

10. How do you create a purchase order in QuickBooks Online?

A. +New > Purchase Order, select vendor, add items, and Save.

B. +New > Invoice, then Convert to PO.

C. +New > Bill

D. +New > Check

Creating a purchase order in QuickBooks Online is done by going to +New, choosing Purchase Order, selecting the vendor, adding the items you want, and saving. This creates a PO that tracks what you intend to order from a supplier and doesn't affect your bills or payments until you convert it or receive the goods. The other options are different transaction types: an invoice is for billing customers, a bill records what you owe a vendor after items arrive, and a check is a payment to a vendor or vendor bill; none of these create a purchase order.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://gmetrixqbcu.examzify.com

We wish you the very best on your exam journey. You've got this!