NOVA SCOTIA MATHEMATICS 12 · UNIT A · 10 QUESTIONS

Financial Mathematics: Borrowing and Investing Money — Practice Test

This practice test was made by AI and there may be mistakes. If a question or answer looks wrong, use the Flag a mistake button to let Brett know so he can fix it.

1 **Find the simple interest, in dollars, on 750 dollars at 12 percent per year for 2 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

2 **Find the simple interest, in dollars, on 1400 dollars at 5 percent per year for 4 years.**

ANSWER _____

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3 **Find the simple interest, in dollars, on 2600 dollars at 3 percent per year for 3 years.**

ANSWER _____

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4 **A credit card balance that is not paid in full usually**

- A accrues interest
- B disappears
- C stays the same forever
- D earns interest for the holder

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5 **The principal in a borrowing problem is**

- A the total repaid
- B the amount originally borrowed
- C the interest paid
- D the monthly payment

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6 **If the compounding period is monthly, interest is added**

- A once a year
- B 4 times a year
- C 12 times a year
- D every day

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7 **An investment doubling time is shorter when the rate is**

- A lower
- B zero
- C fixed
- D higher

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8 **Simple interest for one year at rate r on principal P is**

- **A** Pr
- **B** $P + r$
- **C** $\frac{P}{r}$
- **D** Pr^2

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9 **A mortgage is a loan used mainly to**

- **A** buy groceries
- **B** buy a home
- **C** pay for a holiday
- **D** start a savings account

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10 **The total amount repaid on a loan equals principal plus**

A tax only

B fees only

C interest

D savings

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ANSWER KEY

1. 180
2. 280
3. 234
4. A
5. B
6. C
7. D
8. A
9. B
10. C

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