NOVA SCOTIA MATHEMATICS 12 · UNIT A · 25 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 1000 dollars at 5 percent per year for 2 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

2 **Find the simple interest, in dollars, on 2000 dollars at 4 percent per year for 3 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

3 **Find the simple interest, in dollars, on 500 dollars at 10 percent per year for 2 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

4 **Find the simple interest, in dollars, on 1500 dollars at 6 percent per year for 2 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

5 **Find the simple interest, in dollars, on 800 dollars at 5 percent per year for 4 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

6 **Find the simple interest, in dollars, on 1200 dollars at 10 percent per year for 1 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

7 **Find the simple interest, in dollars, on 3000 dollars at 3 percent per year for 2 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

8 **Find the simple interest, in dollars, on 600 dollars at 8 percent per year for 3 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

9 **Find the simple interest, in dollars, on 2500 dollars at 4 percent per year for 2 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

10 **Find the simple interest, in dollars, on 900 dollars at 10 percent per year for 3 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

11 **Find the simple interest, in dollars, on 4000 dollars at 2 percent per year for 3 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

12 **Find the simple interest, in dollars, on 700 dollars at 6 percent per year for 4 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

13 **Find the simple interest, in dollars, on 1800 dollars at 5 percent per year for 3 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

14 **Find the simple interest, in dollars, on 1100 dollars at 4 percent per year for 4 years.**

ANSWER _____

Understand It with Pulse | Flag a mistake

15 **Simple interest is calculated on**

A the original principal only

B principal + interest

C the final amount only

D monthly payments only

Understand It with Pulse | Flag a mistake

16 **Compound interest is calculated on**

A principal only

B principal + accumulated interest

C the interest rate only

D the time only

Understand It with Pulse | Flag a mistake

17 **In the formula $A = P(1 + r)^n$, P stands for**

- A payment
- B percent
- C principal
- D period

Understand It with Pulse | Flag a mistake

18 **Borrowing money usually costs more when**

- A the time is shorter
- B the principal is smaller
- C payments are larger
- D the interest rate is higher

Understand It with Pulse | Flag a mistake

19 **Investing money grows faster when interest is compounded**

- A more often
- B less often
- C never
- D only once

Understand It with Pulse | Flag a mistake

20 **Two loans are for the same amount and the same length of time. One charges 5% interest and the other charges 8%. Compared with the 8% loan, the 5% loan costs the borrower**

- A more in total interest
- B less in total interest
- C the same in total interest
- D nothing in interest

Understand It with Pulse | Flag a mistake

21 **An annual interest rate of 6 percent means 6 percent per**

A month

B week

C year

D day

Understand It with Pulse | Flag a mistake

22 **To find interest earned, subtract the principal from**

A the interest rate

B the time

C the payment

D the final amount

Understand It with Pulse | Flag a mistake

23 **A savings account that pays compound interest will, over time, grow**

- **A** faster than simple interest at the same rate
- **B** slower than simple interest at the same rate
- **C** at the same rate as simple interest
- **D** not at all

Understand It with Pulse | Flag a mistake

24 **The future value of an investment depends on principal, rate, and**

- **A** colour
- **B** time
- **C** location
- **D** bank name

Understand It with Pulse | Flag a mistake

25

Paying off a loan early usually reduces

A the principal borrowed

B the interest rate

C total interest paid

D the loan term only

Understand It with Pulse

Flag a mistake

ANSWER KEY

1.	100	**10.**	270	**19.**	A
2.	240	**11.**	240	**20.**	B
3.	100	**12.**	168	**21.**	C
4.	180	**13.**	270	**22.**	D
5.	160	**14.**	176	**23.**	A
6.	120	**15.**	A	**24.**	B
7.	180	**16.**	B	**25.**	C
8.	144	**17.**	C		
9.	200	**18.**	D		

© 2026 Brett Robbins. All Rights Reserved.