PRINCE EDWARD ISLAND PRE-CALCULUS ELECTIVE 11 · UNIT E

Financial Mathematics — Practice Test

Prince Edward Island Pre-Calculus Elective 11 • 10 questions

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 **Simple interest is earned on a principal of 1000 dollars at 3 percent per year for 4 years. What is the simple interest in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

2 **A budget is a plan for**

A interest only

B income and spending

C tax only

D savings only

Understand It with Pulse | Flag a mistake

3 **A discount of 20 percent means the buyer pays**

- A 20 percent of the original price
- B 120 percent of the original price
- C the full price
- D 80 percent of the original price

Understand It with Pulse | Flag a mistake

4 **An item costs 60 dollars before tax, and tax is 15 percent. What is the total cost in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

5 **Simple interest is calculated on the**

A original principal only

B accumulated interest

C final amount only

D tax only

Understand It with Pulse | Flag a mistake

6 **The principal in a loan is the amount**

A originally borrowed

B paid in interest

C paid in tax

D saved

Understand It with Pulse | Flag a mistake

7 **The simple interest formula I = P r t uses r as a**

- A total amount
- B time in months only
- C rate per year as a decimal or percent
- D principal in cents

Understand It with Pulse | Flag a mistake

8 **Unit price helps a shopper compare**

- A total cost only
- B brand only
- C package colour
- D cost per unit of quantity

Understand It with Pulse | Flag a mistake

9 **Simple interest is earned on a principal of 600 dollars at 6 percent per year for 2 years. What is the simple interest in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

10 **Simple interest is earned on a principal of 1200 dollars at 5 percent per year for 2 years. What is the simple interest in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

ANSWER KEY

1.	120.00	**5.**	A	**9.**	72.00
2.	B	**6.**	A	**10.**	120.00
3.	D	**7.**	C		
4.	69.00	**8.**	D		

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