PRINCE EDWARD ISLAND PRE-CALCULUS ELECTIVE 11 · UNIT E

Financial Mathematics — Practice Test

Prince Edward Island Pre-Calculus Elective 11 • 25 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 **A jacket originally costs 80 dollars and is discounted by 25 percent. What is the sale price in dollars**



ANSWER

Understand It with Pulse | Flag a mistake

2 **A loan of 400 dollars charges simple interest at 4 percent per year for 3 years. What is the total interest charged in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

3 **An item costs 100 dollars before tax, and tax is 15 percent. What is the total cost in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

4 **Simple interest is earned on a principal of 500 dollars at 4 percent per year for 2 years. What is the simple interest in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

5 **A down payment is an amount paid**



A at the end only

B at the start of a purchase

C as interest

D as tax

Understand It with Pulse | Flag a mistake

6 **A sale price after a 50 percent discount is**

- A twice the original price
- B the original price
- C half the original price
- D zero

Understand It with Pulse | Flag a mistake

7 **Adding 15 percent tax to a price means multiplying the price by**

- A 1.15
- B 0.15
- C 1.5
- D 0.85

Understand It with Pulse | Flag a mistake

8 **An annual interest rate of 6 percent on 1000 dollars for one year gives interest of**

A 6

B 60

C 600

D 106

Understand It with Pulse | Flag a mistake

9 **An hourly wage times hours worked gives**

A net pay always

B tax only

C gross earnings for that period

D interest

Understand It with Pulse | Flag a mistake

10 Appreciation means an asset



A loses value always

B stays constant

C is discounted

D gains value over time

Understand It with Pulse | Flag a mistake

11 **Compound interest is calculated on the principal plus**

A tax only

B previously earned interest

C discount only

D fees only

Understand It with Pulse | Flag a mistake

12 **Depreciation means an asset**

A gains value always

B stays constant

C loses value over time

D is taxed

Understand It with Pulse | Flag a mistake

13 **Gross pay is pay**

A before deductions

B after deductions

C after tax only

D per hour only

Understand It with Pulse | Flag a mistake

14 **If income exceeds spending, the difference is a**

A deficit

B loan

C surplus

D discount

Understand It with Pulse | Flag a mistake

15 **If spending exceeds income, the difference is a**



A surplus

B profit

C interest

D deficit

Understand It with Pulse | Flag a mistake

16

Net pay is pay

A before deductions

B after deductions

C before tax only

D per year only

Understand It with Pulse | Flag a mistake

17

Paying a credit card balance in full each month avoids

A interest charges on purchases

B the principal

C the credit limit

D the card fee always

Understand It with Pulse | Flag a mistake

18 **Saving a fixed amount each month is an example of**

A borrowing

B discounting

C taxing

D regular saving

Understand It with Pulse | Flag a mistake

19 **A jacket originally costs 120 dollars and is discounted by 20 percent. What is the sale price in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

20 **A loan of 900 dollars charges simple interest at 2 percent per year for 5 years. What is the total interest charged in dollars**



ANSWER _____

Understand It with Pulse | Flag a mistake

21 **An item costs 200 dollars before tax, and tax is 15 percent. What is the total cost in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

22 **Simple interest is earned on a principal of 800 dollars at 5 percent per year for 3 years. What is the simple interest in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

23 **A jacket originally costs 60 dollars and is discounted by 50 percent. What is the sale price in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

24 **A loan of 1500 dollars charges simple interest at 4 percent per year for 2 years. What is the total interest charged in dollars**

ANSWER _____

Understand It with Pulse | Flag a mistake

25 **A pair of sneakers costs 80 dollars before tax, and tax is 15 percent. What is the total cost in dollars**



ANSWER

Understand It with Pulse | Flag a mistake

ANSWER KEY

1.	60	**10.**	D	**19.**	96
2.	48	**11.**	B	**20.**	90
3.	115	**12.**	C	**21.**	230
4.	40	**13.**	A	**22.**	120
5.	B	**14.**	C	**23.**	30
6.	C	**15.**	D	**24.**	120
7.	A	**16.**	B	**25.**	92
8.	B	**17.**	A		
9.	C	**18.**	D		

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