INTRODUCTION TO FINANCIAL MATH

1) The main purpose of the ___ is to convey details of profitability and the financial results of business activities.
   A) cash flow statement
   B) income statement
   C) auditor's report
   D) balance sheet

2) ___ is a financial ratio that indicates the average time (in days) that a company takes to pay its bills and invoices to its trade creditors, which include suppliers, vendors, or other companies.
   A) Days payable outstanding
   B) Months outstanding
   C) Past due
   D) Late payments

3) A(n) ___ is part of the managerial accounting cost method of expensing all costs associated with manufacturing a particular product.
   A) schedule
   B) index
   C) valuation model
   D) absorption cost

4) What is the tax on $8.50 if the tax rate is 8 percent?
   A) $0.68
   B) $0.73
   C) $0.63
   D) $0.78

5) Connor bought a new truck with a purchase price of $58,000. He is charged a 4.5% sales tax on the purchase price. What is the total price with sales tax?

A) $2,610

B) $72,740

C) $26,100

D) $60,610

6) Determine the mean: 45, 60, 18, 61, 89,
18

A) 52.5

B) 48.5

C) 18

D) 71

7) Determine the range: 101, 243, 787, 484, 904, 101,
323

A) 101

B) 803

C) 323

D) 420

8) Convert the mixed number or fraction to a decimal, to two decimal places
(39/50)

A) 0.91

B) 0.81

C) 0.88

D) 0.78

9) Convert the fraction to a decimal, to two decimal places: 7/12

A) 0.64

B) 0.58

C) 0.14

D) 0.7

10) An invoice is for \$300 with terms of 10/10, n/30. If paid immediately, what is the amount due?

A) \$270

B) $250
C) $243
D) $213

11) Calculate the single discount equivalent for chain discounts 45%, 24%, 10%.
A) 37.62%
B) 41.67%
C) 58.33%
D) 62.38%

12) Add 1/3 and 1/2.

A) 5/6
B) 2/3
C) 1/6
D) 1

13) Convert the decimal to a fraction: .6875

A) 3/8
B) 11/16
C) 5/12
D) 19/24

14) 680 is what percent greater than 400?

A) 60
B) 75
C) 70
D) 30

15) 2,500 percent is equal to

A) 250
B) 25000
C) 25
D) 2500

	B
2)	A
3)	D
4)	A
5)	D
6)	B
7)	B
8)	D
9)	B
10)	A
11)	D
12)	A
13)	B
14)	C
15)	C