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1. First Benchmark Publishing's gross margin is 50% of sales. The operating costs of the publishing are estimated at 15% of sales. If the company is within the 40% tax bracket, determine the percent of sales is their profit after taxes?

- A. 21 %
- B. 20 %
- C. 19 %
- D. 18 %

2. A farmer selling eggs at 50 pesos a dozen gains 20%. If he sells the eggs at the same price after the costs of the eggs rises by 12.5%, how much will be his new gain in percent?

- A. 6.89 %
- B. **6.65 %**
- C. 6.58 %
- D. 6.12 %

3. A feasibility study shows that a fixed capital investment of P10,000,000 is required for a proposed construction firm and an estimated working capital of P2,000,000. Annual depreciation is estimated to be 10% of the fixed capital investment. Determine the rate of return on the total investment if the annual profit is P3,500,000.

- A. 28.33 %
- B. **29.17 %**
- C. 30.12 %
- D. 30.78 %

4. The monthly demand for ice cans being manufactured by Mr. Camus is 3200 pieces. With a manual operated guillotine, the unit cutting cost is P25.00. An electrically operated hydraulic guillotine was offered to Mr. Camus at a price of P275,000.00 and which cuts by 30% the unit cutting cost. Disregarding the cost of money, how many months will Mr. Camus be able to recover the cost of the machine if he decides to buy now?

- A. 10 months
- B. 11 months
- C. **12 months**
- D. 13 months

5. Engr. Trinidad loans from a loan firm an amount of P100,000 with a rate of simple interest of 20% but the interest was deducted from the loan at the time the money was borrowed. If at the end of one year, she has to pay the full amount of P100,000, what is the actual rate of interest?

- A. 23.5 %
- B. 24.7 %
- C. **25.0 %**
- D. 25.8 %

6. A loan of P5,000 is made for a period of 15 months, at a simple interest rate of 15%, what future amount is due at the end of the loan period?

- A. **5,937.50**
- B. 5,873.20
- C. 5,712.40
- D. 5,690.12

7. Mr. Bacani borrowed money from the bank. He received from the bank P1,842 and promised to repay P2,000 at the end of 10 months. Determine the rate of simple interest.

- A. 12.19 %
- B. 12.03 %
- C. 11.54 %
- D. **10.29 %**

8. A college freshman borrowed P2,000 from a bank for his tuition fee and promised to pay the amount for one year. He received only the amount of P1,920 after the bank collected the advance interest of P80.00. What was the rate of discount?

- A. 3.67 %
- B. **4.00 %**
- C. 4.15 %
- D. 4.25 %

9. It is the practice of almost all banks in the Philippines that when they grant a loan, the interest for one year is automatically deducted from the principal amount upon release of money to a borrower. Let us therefore assume that you applied for a loan with a bank and the P80,000 was approved at an interest rate of 14% of which P11,200 was deducted and you were given a check of P68,800. Since you have to pay the amount of P80,000 one year after, what then will be the effective interest rate?

- A. 16.02 %
- B. **16.28 %**
- C. 16.32 %
- D. 16.47 %

10. A man invested P110,000 for 31 days. The net interest after deducting 20% withholding tax is P890.36. Find the rate of return annually.

- A. 11.50 %
- B. **11.75 %**
- C. 11.95 %
- D. 12.32 %