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FINANCIAL MATHEMATICS
QUESTIONS ON MARK UP/DOWN/DISCOUNT

1.	Mr. A bought product A at $20 each and sells them at $25 each. (a) What percentage profit on the cost price did he make? (b) Later on, he reduced the selling price by 5%. What percentage profit on the cost did he make?
2.	Mr A sells a machine for $25,800 making a gain of 72% on his cost price. (a) How much did he pay for the machine? (b) What was his profit?
3.	Mr A's one day's taking is $500 and he expects his margin to be 30%. Calculate his profit on that day
4.	XYZ Ltd issues a price list of its goods. The retailer when buying from XYZ Ltd receives a discount of 25% off the list price. A customer buying these goods for cash at the list price from the retailer is allowed a 5% discount. Calculate the percentage profit that the retailer will make when he sells these goods for cash?
5.	A trader marks his goods so as to show a profit of 40% of his outlay, but allows his customers a discount of 5% of the marked price if they pay cash. When dealing with cash customers, find: (a) the profit he makes on goods that cost his $414 (b) the profit he makes on goods marked at $189 © the price to the trader of goods marked at $78.40 (d) the profit he makes as a percentage of the marked price
6.	A dealer marks his goods at 20% above the price he pays, but allows a customer discount of 5% of the marked price of the goods. Find: (a) the price that a customer pays for goods that cost the dealer $880 (b) the price that a customer pays for goods that cost the dealer $880 © the cost to the dealer of goods for which a customer paid

(Page 1)

	$280.44 (d) the profit the dealer actually makes, if a customer receives gods marked at $800, but goes bankrupt and can only pay 95 cent in the $
7.	If the manufacturer of a product adds a mark-up of 25% the wholesaler a mark-up of 30% and the retailer a mark-up of 50%, what was the cost of manufacture of the product when the retail price was $78?

FINANCIAL MATHEMATICS ANSWERS ON MARK UP/DOWN/DISCOUNT	
1.	(a) 25% (b) 18.75%
2.	$10,800
3.	$150
4.	26.67%
5.	(a) $136.62 (b) $44.55 (c)$56 (d)33%
6.	(a) $613.70 (b) $1,003.20 (c) $246 (d) $55.33
7.	$32

(Page 2)