

Pre-Test

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Directions

This is just a pre-test to see where everyone is on math, accounting and finance topics. It does not count for a grade; I just need the information to guide a few lectures.

Math

1. Add

$$\frac{2}{x+3} + \frac{5}{x+2}$$

2. Use the properties of exponents to simplify this expression:

$$\frac{14(x^2y^3)^2}{7x^3y^{10}}$$

3. Set up and solve a system of equations to answer this question. A theater sells adult tickets for \$8 and children's tickets for \$5. If a total of \$236 was taken in on sales of 34 total tickets, how many adult tickets and how many children's tickets were sold?

Accounting Concepts

1. Which of the following is *not* an asset?
 - Employees
 - Land
 - Machinery
 - Cash
 - Owner Equity
 - Accounts Recievable
2. Which of the following is a liability?
 - Cash
 - Accounts Recievable
 - Owner Equity
 - Tax Owed
 - None of the above
3. Which of the following is an expense?
 - Owner Equity
 - A Loan
 - Taxes
 - None of the above

Interest

1. Suppose you deposit \$100 into an account that earns 12% a year compounded *annually*. How much would be in the account after 10 years?

2. Suppose you deposit \$100 into an account that earns 12% a year compounded *monthly*. How much would be in the account after 10 years?

Choice

Consider the following assets:

| Year | A | B | C |
|------|----|----|----|
| 0 | 0 | 0 | 0 |
| 1 | 10 | 0 | 0 |
| 2 | 0 | 10 | 20 |

Asset A gives \$10 in year 1. Asset B gives \$10 in year 2 and asset C gives \$20 in year 2.

1. Between A and B, which would you prefer and why?

2. Between B and C, which would you prefer and why?

3. Between A and C, which would you prefer and why?