1. **What is the future value of 20,000 TL on deposit for 5 years at 8% simple interest?**
2. 13,101 TL
3. **28,000 TL**
4. 25,160 TL
5. 9,235 TL

=20.000+(20.000\*5\*0,08)

=28.000 TL

1. **What is the future value of 20,000 TL on deposit for 5 years at 8% compound interest?**
2. 26,976 TL
3. 21,500 TL
4. 24,160 TL
5. **29,386 TL**

=20000\*(1+0,08)^5

=29.386 TL

1. **What is the 10 years later future value of 1000 TL that is deposited today 10% compounded annually?**
2. 1,760.44 TL
3. **2,593.74 TL**
4. 880,00 TL
5. 1,542.44 TL

=FV(10%;10;;-1000)

= 2,593.74

**4.How much must be invested today in order to generate a 5-year annuity of $1,000 per year, with the first payment 1 year from today, at an interest rate of 12%?**

**A) $3,604.78**   
 B) $3,746.25  
 C) $4,037.35  
 D) $4,604.78  
   
 PV = $3,604.78

**5.What will be the approximate population of the United States, if its current population of 300 million grows at a compound rate of 2% annually for 25 years?**

A) 413 million   
 B) 430 million  
 C) 488 million  
 **D) 492 million**  
 FV = PV(1 + r)t  
  
 FV = 492.2 million ≈ 492 million

**6.Your real estate agent mentions that homes in your price range require a payment of $1,200 per month for 30 years at 0.75% interest per month. What is the size of the mortgage with these terms?**

A) $128,035.05   
 B) $147,940.29  
 **C) $149,138.24**  
 D) $393,120.03  
   
 PV = $149,138.24

**7.How much must be saved at the end of each year for the next 10 years in order to accumulate $50,000, if you can earn 9% annually? Assume you contribute the same amount to your savings every year.**

**A) $3,291.00**   
 B) $3,587.87  
 C) $4,500.33  
 D) $4,587.79

Payment = $3,291.00

**8.What will be the monthly payment on a $80,000 20-year home mortgage at 1% interest per month?**

A) $780.46   
 **B) $880,86**  
 C) $1,028.61  
 D) $1,034.53

Pmt (%1 , 240, -80.000)

**9.Assume the total expense for your current year in college equals 50,000 TL. How much would your parents have needed to invest 20 years ago in an account paying 15 % compounded annually to cover this amount?**

A. 952.46 TL

B. 1,600.00 TL

**C. 3,055.01 TL**

D. 2,973.11 TL

**Pv ( 15%,20,50.000)**

**10.A vehicle loan of 70.000 TL is required to be paid in 24 months, in the form of 2.000 TL per month. What is the monthly interest rate?**

A) %3,10

B) %5,13

C) %1,15

**D) %2,82**

**Rate (24, -2000,70000)**

**11.How much do you need when you retire to provide a $2,500 monthly check that will last for 25 years? Assume that your savings can earn 0.5% a month.**

A) $361,526.14   
 **B) $388,017.16** C) $402,766.67   
 D) $414,008.24

=PV(0,5%;25\*12;-2500)

**12.What will be the monthly payment on a $75,000 30-year home mortgage at 1% interest per month?**

**A) $771.46**   
 B)$775.90  
 C)$1,028.61  
 D) $1,034.53

=PMT(1%;30\*12;-75000)

**13.You are purchasing a car. You are scheduled to make 5 annual installments of 12,000 TL per year. Given a rate of interest of 12%, what is the price you are paying for the car?**

1. **43,257.31 TL**
2. 21,148.10 TL
3. 6,809.12 TL
4. 15,645.11 TL

=PV(12%;5;12000)

= 43,257.31 TL

**14.If a payment of principal is due in 13 months on a long-term liability, that payment will now appear on the balance sheet as:**

A) a current liability.   
 **B) long-term debt.**  
 C) cash.  
 D) interest expense.

**15.Net working capital is calculated by taking the difference between:**

A) total assets and total liabilities.   
 B) inventory and accounts payable.  
 **C) current assets and current liabilities.**  
 D) cash and accounts payable.

**16.** Perhaps the best method for estimating the market value of shareholders' equity is to:

A) review the firm's balance sheet.   
 B) review the firm's income statement.  
 **C) multiply number of shares outstanding by the price of each share.** D) add the retained earnings to the total liabilities.

**17. Which of the following assets is likely to be considered the most liquid?**

**A) Marketable securities**   
 B) Net fixed assets  
 C) Accounts payable  
 D) Inventories

**14.If a payment of principal is due in 13 months on a long-term liability, that payment will now appear on the balance sheet as:**

A) a current liability.   
 **B) long-term debt.**  
 C) cash.  
 D) interest expense.

**15.Net working capital is calculated by taking the difference between:**

A) total assets and total liabilities.   
 B) inventory and accounts payable.  
 **C) current assets and current liabilities.**  
 D) cash and accounts payable.

**18.An itemized summary of estimated income and expected expenditures in a given period is known as a**

1. **budget.**
2. budget variance.
3. budget reconciliation.
4. all of the options are incorrect.

**19. What is the definition of Computerized budgeting system?**

1. Detailed plan for spending in a spreadsheet or notebook
2. Use envelopes for your expenses such as food, rent, etc.
3. Use bank or financial institution website
4. **use Excel or software**

**20. Time value of money indicates that:**

1. A unit of money obtained today is worth less than a unit of money obtained in future
2. **A unit of money obtained today is worth more than a unit of money obtained in future**
3. There is no difference in the value of money obtained today and tomorrow
4. None of the above