Fill above blanks before signal to begin work is given by examiner.

Do not open this sheet till the signal is given.

Examiner will place this sheet closed on desk of each candidate. Candidate will open the sheet and begin work at signal from examiner. All parts of this test are to be worked mentally and the results placed on the sheet. At the end of 15 minutes work must stop and the pages used for this test must then be detached from the rest of the question paper and immediately collected.

All work must be done with pen and ink.
1-2 a Complete the following summary of sales: [5]

<table>
<thead>
<tr>
<th></th>
<th>Dept. A</th>
<th>Dept. B</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday</td>
<td>86</td>
<td>112</td>
<td></td>
</tr>
<tr>
<td>Tuesday</td>
<td>121</td>
<td>69</td>
<td></td>
</tr>
<tr>
<td>Wednesday</td>
<td>142</td>
<td>139</td>
<td></td>
</tr>
<tr>
<td>Thursday</td>
<td>92</td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>Friday</td>
<td>137</td>
<td>126</td>
<td></td>
</tr>
<tr>
<td>Saturday</td>
<td>58</td>
<td>67</td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b Underline the correct answer for each of the following: [3]
- 30 is 75% of (22.5; 40; 4; 7.5)
- $25 per ton is equivalent to (1½¢; 2½¢; 25¢; 12½¢) per pound.
- .5% of $120 is ($60; $6; $.60; $.06)

c Find the interest on each of the following: [4]
- $276 for 80 days at 6% =
- $150 for 30 days at 4% =
- $86 for 20 days at 6% =
- $320 for 3 months at 4½% =
  [Footing not required]

d Make the extensions: [4]
- 248 articles @ 37½¢ =
- 75 articles @ 60 ¢ =
- 200 articles @ $1.12½ =
- 120 articles @ 2½¢ =
  [Footing not required]

e Place answers in proper columns: [4]

<table>
<thead>
<tr>
<th>Selling price</th>
<th>Cost</th>
<th>Gain</th>
<th>Rate of gain on selling price</th>
<th>Rate of gain on cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>$125</td>
<td>$100</td>
<td>$25</td>
<td>-----------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>$36</td>
<td>$24</td>
<td>$12</td>
<td>-----------------------------</td>
<td>---------------------</td>
</tr>
</tbody>
</table>
COMMERCIAL ARITHMETIC — continued

5 A dealer estimates that his selling and overhead expenses amount to 16% of his total sales. If he buys a rug for $22 less 10% and 10%, at what price must he sell it in order to gain 18% of the selling price? [10]

6 A bank holds a 5½% mortgage for $4500 on a house and lot. The mortgage is dated December 1, 1931. Interest is payable semiannually. The following payments have been made:

June 1, 1932  Interest and $800 on the principal
December 2, 1932  Interest to December 1, 1932

What amount will be due on June 1, 1933, the date of final settlement? [10]

7 Blair, Rose and Ward entered into a partnership on January 1, 1932. Blair invested $7200, Rose $4800 and Ward $12,000. It was agreed that each partner should receive 5% annually on his investment, and that the remaining profit or loss should be divided equally among the partners. At the end of the year, the books showed a profit on sales of $9688, other income $592 and expenses $2630. What was each partner’s total income for the year? [10]

8 It has been decided to paint the four sides of a building 42 feet wide by 90 feet long by 32 feet high two coats. It is estimated that for the first coat one gallon of paint will cover 450 square feet of surface and that for the second coat one gallon will cover 675 square feet. Deducting 348 square feet for openings, find how much the paint for the two coats will cost at $3.60 a gallon. [10]

9 On September 15, 1932, James Ward’s bank account was overdrawn by $275.70. On that date he discounted at 6½% the following notes: a 60-day non-interest-bearing note for $325.50, dated August 22, 1932, and a 90-day interest-bearing note for $242.60, dated August 16, 1932.

a Find the proceeds of each note. [4 credits for each note]

b What was Ward’s bank balance after the proceeds were credited to his account? [2]
10 A man paid $15,000 for a house that he plans to rent. The estimated annual expenses are as follows: taxes $341.25, insurance $21.75, general repairs and upkeep $400, water rate $4.25 a quarter. What monthly rent must he charge in order to pay all expenses and obtain 8% on his investment? [10]

11 Coats that cost $15.75 had been selling for $24.75 at the rate of 5 a day. When the price was reduced to $21, the sales increased to 10 a day.
   a Was the amount of daily profit increased or decreased by the reduction in price? [2]
   b What per cent did the dealer gain or lose by the reduction in price? [8]

12 As briefly as possible, give a definite reason or explanation for each of the following business practices: [10]
   a In some cases, the profits or losses are not divided equally among the partners.
   b Some firms sell merchandise subject to a cash discount, such as 2%.
   c In discounting notes, banks compute the discount on the unexpired time.
   d In some cases, a salesman receives a commission on his total sales in addition to his salary.
   e The trade discount on an article may change from time to time.