Discounts and mark-ups

6 questions | 16 marks

Equivalent correct methods earn the corresponding marks.

1. Mark up a 30 AUD cost by 20%. [2 marks]

$30 \times 1.2 = 36$.

Answer: 36 AUD

2. Discount a listed price of 90 AUD by 10%. [2 marks]

$90 \times 0.9 = 81$.

Answer: 81 AUD

3. An item costs 48 AUD and is sold for 60 AUD. Find its dollar profit and percentage profit on cost. [3 marks]

Profit: $60 - 48 = 12$ AUD.

$12 \div 48 \times 100\% = 25\%$.

Answer: 12 AUD; 25%

4. A listed price of 80 AUD is reduced by 15%. Find the sale price. [2 marks]

$80 \times 0.85 = 68$.

Answer: 68 AUD

5. An item costs 80 AUD. It is marked up by 25%, then discounted by 10%. Find its final price and profit on cost. [4 marks]

$80 \times 1.25 = 100$.

$100 \times 0.9 = 90$.

$90 - 80 = 10$, and $10 \div 80 \times 100\% = 12.5\%$.

Answer: 90 AUD; 10 AUD profit or 12.5%

6. A store buys a book for 24 AUD and lists it at 30 AUD. What is the greatest percentage discount on the listed price that avoids selling below cost? [3 marks]

The store may reduce the price by $30 - 24 = 6$ AUD.

$6 \div 30 \times 100\% = 20\%$.

At 20% off, the sale price is exactly 24 AUD.

Answer: 20%