

Chapter 15 – Purchasing

I-Summary

This chapter helped you learn about purchasing. If you are in business, at some point, you need to order supplies for your business. Distributors, wholesalers, and manufacturers often offer you discounts on your purchases either when you buy them or when you pay for them. Understanding the advantages of each method helps you plan for your business's success.

I-Quiz

1. What is another name for *list price*?
 - A. wholesale price
 - B. retail price
 - C. catalog price
2. What is a *chain discount*?
 - A. a series of trade discounts
 - B. a discount found at department stores
 - C. a fixed discount
3. What is a way to find the net price of a discounted item?
 - A. multiply the prices
 - B. use the complement method
 - C. ask the sales clerk
4. End-of-month dating is used to grant which kind of discounts?
 - A. trade discounts
 - B. chain discounts
 - C. cash discounts
5. What document lists the *quantities* and *costs* of items purchased?
 - A. the inventory printout
 - B. the invoice
 - C. the statement

Answer Key

- 1. C**
- 2. A**
- 3. B**
- 4. C**
- 5. B**