MATH 9

Learning Guide #15

Finances & Budgeting

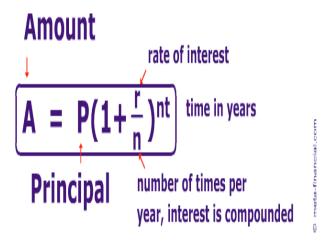


Name 3 financial institutions in the local area.
1
2
3
What are some of the services they offer?
What type of accounts do they provide customers? (Types of Savings, Chequing or Investment accounts)
At this point, what type of account would you choose to use? Why?
What type of account do you think you would use 5 years from now? Why?

Define the following:	
Interest	
Principal	
Interest Rate	
What is the Simple Interest Formula?	
_	
QUESTION: How much interest would you earn in a year	r if you had \$5000 in an account that paid 2.75% simple interest?
Show Calculations Here:	How much interest would that be in one month?
	How much interest would you earn in 5 years?

COMPOUND INTEREST FORMULA

Answer the same QUESTION above using the compound interest formula with interest compounded monthly.



Show Calculations Here:

Define the Following:		
ncome		
Expenses		
Surplus		
Deficit		
Complete the following budget as	signment on a budget sheet (be	low).
about \$3100.00 and he has alread	y saved \$400. From his job, \$40 allowance, \$1	buy a car in the future. The car will cost 1 interest and \$10 from gifts. Pat spends
about \$20 in taxes, \$55 on a cell p	hone, \$20 on snacks, \$25 on clo	thes and \$50 on entertainment.
	hone, \$20 on snacks, \$25 on clo MONTHLY BUDGET	
CATEGORY Income: Paycheck, Allowance,		SHOW CALCULATIONS HERI
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CATEGORY Income: Paycheck, Allowance, Birthday Money, etc. Interest: From Savings Acct. INCOME SUBTOTAL: EXPENSES Taxes from paycheck Utilities: cell phone, xbox live Entertainment: movie, bowling, etc. Shopping: clothes, shoes, etc. Food: snacks, drinks, etc. EXPENSES SUBTOTAL:	MONTHLY BUDGET	SHOW CALCULATIONS HERI

"Saving for the Future" RRSP? or Tax Free Saving Account?
Define what a RRSP is?
Define what a Tax Free Saving Account is?
Define what a RESP Account is?
Compare and contrast RRSP and Tax Free Saving Account & RESP.
"Paying for Post Secondary (College/University)" Student Loan? or Line of Credit?
Define what a Student Loan is?
Define what a Line of Credit is?

Compare and contrast Student Loan and Line of Credit.

Choose 2 of the following financial topics:

• RRSP, Tax Free Savings Acct, RESP, Student Loan, Line of Credit,

Ask an adult in your life (ie: parent, guardian, grand-parent, etc.) what their experiences have been with these financial topics and what is their advice to you regarding them.

#1		
#2		