

Bank of ATLANTIC CANADA	Customer Name: Card Number: Statement Dates:	Olivia Cham ; 458 654 883 Nov. 1, 2011 - Nov. 31, 2011
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Transaction Date	Posting Date	Activity description	Amount (\$)
<b>PREVIOUS STATEMENT BALANCE</b>			\$421.57
Nov. 02	Nov. 03	PAYMENT - THANK YOU	(\$421.57)
Nov. 06	Nov. 07	SHOES	\$55.00
Nov. 20	Nov. 21	Burger King	\$10.79
Nov. 25	Nov. 27	Irving Oil	\$50.38

*\$116.17*

Payment Information		Calculating your balance	
Minimum payment		Previous balance	\$
Payment due date	Dec. 10	Payments & credits	\$
Credit Limit	\$4,000.00	Purchases	\$
Available credit	<i>-116.17</i>	Cash advances	\$
Annual interest rate	19.50%	Interest	\$
		Other fees	\$
		New Balance	\$

- The interest rate is: 19.5
- What is the previous balance? 421.57
- How much was her payment? 421.57
- How much does she still owe after her payment? 0
- What did she purchase in November? Shoes, BK, Gas
- Calculate the new balance.  $116.17 \times 0.055, 10$
- What will her minimum payment be? \$10.00
- What is her available credit? **383.83**
- If she pays the balance on December 9th, how much interest will she have to pay? 0

**PERSONAL LOAN PAYMENT TABLE**  
**MONTHLY PAYMENT PER \$1000.00 BORROWED**  
**(INTEREST COMPOUNDED MONTHLY)**

Interest rate (%)	Term in years				
	1	2	3	4	5
3.00	84.69	42.98	29.08	22.13	17.97
3.25	84.81	43.09	29.19	22.24	18.08
5.00	85.61	43.87	29.97	23.03	18.87
5.25	85.72	43.98	30.08	23.14	18.99
5.50	85.84	44.10	30.20	23.26	19.10
5.75	85.95	44.21	30.31	23.37	19.22
6.00	86.07	44.32	30.42	23.49	19.33
6.25	86.18	44.43	30.54	23.60	19.45
6.50	86.30	44.55	30.65	23.71	19.57
6.75	86.41	44.66	30.76	23.83	19.68
7.00	86.53	44.77	30.88	23.95	19.80

Sally borrowed \$3500 at 6.25% interest for 5 years.

- a) What is her monthly payment?  $3.5 \times 19.45 = \$68.08$
- b) How much does she pay back to the bank in total?  $68.08 \times 60 \text{ months} = 4084.80$
- c) What is the finance charge?

$$\begin{array}{r}
 4084.80 \\
 - 3500.00 \\
 \hline
 = \$584.80
 \end{array}$$

1. Randy has invested \$3000 in a savings account which earns 5.21% interest per a compounded quarterly.  
 a) How much will his investment be worth after 5 years?

4	22.13	17.97
5	22.24	18.08
6	23.03	18.87
7	23.14	18.99
8	23.26	19.10
9	23.37	19.22
10	23.49	19.33
11	23.50	19.45
12	23.71	19.57
13	23.83	19.68
14	23.96	19.80

6 interest for 5 years.  
 $\times 19.45 = \$64.08$   
 bank in total?  $69.08 \times 60 \text{ months}$   
 $= 4084.80$

1. Randy has invested \$3000 in a savings account which earns 5.21% interest p compounded quarterly.

a) How much will his investment be worth after 5 years?

$$A = P \left( 1 + \frac{r}{n} \right)^{nt}$$

$$A = 3000 \left( 1 + \frac{0.0521}{4} \right)^{(4)(5)}$$

$$A = 3000 (1.013025)^{20}$$

$$3000 (1.013025)^{20} = 3886.19$$

b) How much interest did he earn?

$$3886.19 - 3000 = \$886.19$$

2. Fred has a Self Service Account from the Bank of Atlantic Canada, during the month he withdrew \$50 from a Royal Bank machine, purchased \$100 worth of travel: telephone bill using internet banking, and wrote 14 cheques. If his balance was \$1000.00, how much did he pay in service fees? (page 96 will help)

1.

$$A = P \left( 1 + \frac{r}{n} \right)^{nt}$$

$$A = 2350 \left( 1 + \frac{0.035}{4} \right)^{(4)(6)}$$

$$= 2350 (1 + 0.00875)^{24}$$

$$= 2350 (1.00875)^{24}$$

$$= 2350 (1.2325\dots)$$

$$= 2896.50$$

Interest:

$$\begin{array}{r} 2896.50 \\ - 2350 \\ \hline 546.50 \end{array}$$

2.  $I = Prt$   
 $= 8000 (0.039)(5)$   
 $= 1560$

$$3. \quad I = Prt$$

$$234 = P(0.032)(3)$$

$$\frac{234}{0.096} = \frac{P(0.096)}{0.096}$$

$$2437.50 = P$$

$$4. \quad A = P \left( 1 + \frac{r}{n} \right)^{nt}$$

$$1600 = P \left( 1 + \frac{0.04}{2} \right)^{(2)(2)}$$

$$1600 = P(1 + 0.02)^4$$

$$1600 = P(1.02)^4$$

$$1600 = P(1.08243216)$$

$$1478.15 = P$$







$$\begin{array}{r} 6. \quad 42000 \\ - \quad 11000 \quad - \text{Trade in.} \\ \hline 31000 \\ \quad \quad 1.13 \quad \times \text{Tax } 13\% \\ \hline 35030 \end{array}$$

a) \$35030

b)  $18.08 / \text{month.}$       3.25%      5 years

$$18.08 \times 35.03 \\ 633.34$$

c)  $633.34 \times (12 \times 5)$       5 years  
 $633.34 \times (60)$   
38000.54

$$18.08 \times 35.03$$
$$633.34$$

c)

$$633.34 \times (12 \times 5) \quad \text{5 years}$$
$$633.34 \times (60)$$
$$38000.54$$

D.

$$\begin{array}{r} 38000.54 \\ - 35030 \\ \hline 2970.54 \end{array}$$