

Getting Reading to do Finance

Time

1. Express each time period in years.

- a) 24 months
- b) 26 weeks
- c) 6 months
- d) 18 months
- e) 1 day
- f) April
- g) from your current age until you are 60

Divide by the number of the given units in a year:

One year is equal to:

365 days

52 weeks

12 months

Ex: 36 months: $36/12 = 3$

Letter "g" will take some extra work.

2. Express each time period in months.

- a) 4 years
- b) 5 years
- c) $3\frac{1}{2}$ years
- d) 10 years
- e) 20 years
- f) 25 years
- g) from your current age until you are 60

Just multiply by 12. Letter "g" will take some extra work.

4. Express each percent as a decimal number.

- | | |
|----------|----------|
| a) 100% | b) 10% |
| c) 1% | d) 0.1% |
| e) 29.9% | f) 19.5% |
| g) 0.25% | h) 0% |

To get from a percent to a decimal, **divide** by 100.

5. Determine without using a calculator.

- a) 1% of \$100
- b) 1% of \$300
- c) 1% of \$1000
- d) 1% of \$5000
- e) 2% of \$100
- f) 2% of \$200
- g) 2% of \$2000
- h) 2% of \$9000
- i) 5% of \$100
- j) 10% of \$700
- k) 20% of \$7000
- l) 50% of \$700 000

To calculate percentage of a number:
Turn the % to a decimal by dividing by 100 and then multiply.

For example:

$$3\% \text{ of } 400 =$$

$$0.03 \times 400 = 12$$

7. Calculate each power using a calculator.

a) 1^{10} b) $(0.1)^2$ c) $(0.2)^3$

8. Calculate each power using a calculator.

a) 3^{10} b) $(0.4)^{15}$ c) $(1.4)^{20}$

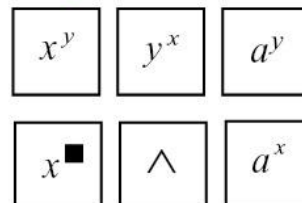
Use the exponent button on your calculator. My button looks like this but yours may be different:

y^x

See the image below for other buttons that could be on your calculator.

To find yours, try pressing "2" then the button that you think is your exponent button, then a "3" meaning 2^3 . It should give you 8 if you are pressing the correct button.

Scientific Calculator Exponent Buttons



Taxes

- In Canada, most purchases are subject to the federal government's Goods and Services Tax (GST).
- Some provinces also charge a Provincial Sales Tax (PST).
- Some provinces combine the two taxes and charge a Harmonized Sales Tax (HST).

Answer the following questions using the tax that is charged where you live.

9. Calculate the amount of tax you pay on the purchase of an item that costs each amount.

- a) \$2 b) \$3
c) \$4 d) \$5
e) \$10 f) \$20

10. You are purchasing a new car that costs about \$30 000. Approximately how much tax will you have to pay?



11. The actual cost of the vehicle in #10 is \$29 483.09 before taxes. Calculate the exact amount of tax that you would

Rounding

When dealing with money, either express your answer to the nearest penny (two decimal places), or to the nearest dollar (whole number).

12. Express the following money values to two decimal places.

- a) \$12.1 b) \$23.375
c) \$38.8 d) \$127.4525

13. Round each value in #12 to the nearest dollar.

In New Brunswick, we use HST of 15%. Use 15% for the following questions.

Take your question and multiple it by 15% (0.15 as a decimal remember).

So $\$2 \times 0.15 = \underline{\hspace{2cm}}$

See if you can estimate this.
Remember: 15% is 10% plus 5% so you can break it up to do your estimate.

To go to two decimal places if you have only one decimal – add a “0”.

If you have three or more decimals and you need to round to 2: if the third number is 0, 1, 2, 3, or 4 – leave the first two digits after the decimal as is. If the third number is 5 or more, increase the second number to the next number.