Chapter 2 Review

- 1. Martin wants to go to college in 1 year to study landscaping design. He needs to save \$2500. Calculate the amount Martin needs to save from each paycheque if he is paid
 - a) weekly

- **b)** bi-weekly
- **2. a)** Tanika and Avi are saving \$400 per month for a down payment on a house. They have an account that pays 3% interest per year, compounded monthly. In approximately how many months will they have \$8000 saved?

N: _____, I%: _____, PV: ______, PMT: _____,

FV: _____, P/Y: ____, C/Y: ____, PMT: END BEGIN

b) If Avi and Tanika wanted to have the \$8000 down payment saved in exactly 1 year, how much would they need to save each month?

N: _____, I%: _____, PV: ______, PMT: _____,

FV: _____, P/Y: ____, C/Y: ____, PMT: END BEGIN

- **3. a)** State 2 common fixed expenses.
 - **b)** State 2 common variable expenses.
 - c) State 2 common non-essential expenses.
 - **d)** State 2 common essential expenses.

4. Marina works part-time after school and some weekends. Her monthly budget for April is shown.

Income (\$)		Expenses (\$)			
Apr 2–16	164.55	Save for own car	100	Clothes	50
Apr 17-May 1 182.09		Spending money	75	Cell phone	20
		Car insurance	40	Gas	40
Total Income =		Total Expenses =			
Balance (Income – Expenses) =					

a)	What is Marina's total income for April? \$	

b)	What are her total expenses? \$	

c)	Calculate h	er monthly	balance.	\$

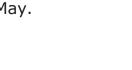
d) Explain what is meant by having a balanced	budget.
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e) Marina's hours at work have been cut. She expects to lose about half of her monthly income. Estimate her income for May.

\$		

f) Change Marina's budget to create a balanced budget for May.

Cost	Remaining Income
	Cost



Chapter