Task-Based Activities *for* LBS

QUiLL Learning Network

Task Title: Interest
OALCF Cover Sheet – Practitioner Copy

Learner Name:

Date Started (m/d/yyyy):

Date Completed (m/d/yyyy):

Successful Completion: Yes ☐ No ☐

Goal Path:

Employment ☐ Apprenticeship ☐

Secondary School ☐ Post Secondary ☐ Independence ☒

Task Description: Read online article on interest and demonstrate comprehension.

Competency: A: Find and Use Information
C: Understand and Use Numbers
D: Use Digital Technology

Task Groups: A1: Read continuous text
C1: Manage Money
D: Use Digital Technology

Level Indicators:
- A1.1: Read brief texts to locate specific details
- A1.2: Read texts to locate and connect ideas and information
- C1.2: Make low level inferences to calculate costs and expenses that may include rates such as taxes and discounts
- D1: Perform simple digital tasks according to a set procedure

Performance Descriptors: See chart on last page

Materials Required:
- Pencil, eraser and calculator (decision of instructor)
- Computer with internet access

Learner Information

Almost all loans and credit charge interest. There are different types of interest. Look at http://www.moneyhabits.com/types_of_interest.htm (link last reviewed 07/05/21).

Work Sheet

Task 1: What is the definition of interest?

Answer:

Task 2: In a fixed interest rate loan of $1000 with an interest of 5% per year, how much in total would a borrower need to pay back in 1 year?

Answer:

Task 3: What is the attraction to a variable rate interest loan?
Answer:

Task 4: What happens in a variable interest rate loan if the market interest rates rise?

Answer:

Task 5: **What is the definition of Compound Interest?**

Answer:

Task 6: **In the Example of Simple vs Compound Interest calculate the difference between the two types of interest.**

Answer:

Task 7: **A customer takes out a compound interest loan for $2750 for 2 years at 10%. Calculate the interest the customer will pay.**

Answer:

Task Title: Interest_I_A1.1_A1.2_C1.2_D1

Notes for instructors/facilitators:

Almost all loans and credit charge interest. There are different types of interest. Look at http://www.moneyhabits.com/types_of_interest.htm (link last reviewed 07/05/21).

Answers

Task 1:   What is the definition of interest?

Answer: **Interest is the cost of borrowing money**

Task 2:   In a fixed interest rate loan of $1000 with an interest of 5% per year, how much in total would a borrower need to pay back in 1 year?

Answer: **$1050**

Task 3:   What is the attraction to a variable rate interest loan?

Answer: **The attraction is that you can benefit from any future drop in market interest rates**

Task 4:   What happens in a variable interest rate loan if the market interest rates rise?

Answer: **If the market decides it's time for interest rates to rise, so too will your repayments**

Task 5:   What is the definition of Compound Interest?

Answer: **Compound interest relates to charges the borrower must pay not just on the principal amount borrowed, but also on any interest outstanding at that point in time**

Task 6:   In the Example of Simple vs Compound Interest calculate the difference between the two types of interest.

Answer: **1210 – 1200 = $10.00**

Task 7:   A customer takes out a compound interest loan for $2750 for 2 years at 10%. Calculate the interest the customer will pay.

Answer: **1st year 2750 x 1 yr x 10% = 275.00**
2nd year 2750 + 275 = 3025
3025 x 1 yr x 10% = 302.50
275.00 + 302.50 = $577.50

Task Title: Interest_I_A1.1_A1.2_C1.2_D1

Performance Descriptors

Levels	Performance Descriptors	Needs Work	Completes task with support from practitioner	Completes task independently
A1.1	reads short texts to locate a single piece of information			
A1.2	scans text to locate information			
A1.2	locates multiple pieces of information in simple texts			
A1.2	makes low-level inferences			
A1.2	reads more complex texts to locate a single piece of information			
A1.2	obtains information from detailed reading			
C1.2	calculates using numbers expressed as whole numbers, fractions, decimals, percentages and integers			
C1.2	calculates percentages			
C1.2	chooses and performs required operation(s); may make inferences to identify required operation(s)			
C1.2	selects appropriate steps to reach solutions			
C1.2	represents costs and rates using monetary symbols, decimals and percentages			
C1.2	uses strategies to check accuracy (e.g. estimating, using a calculator, repeating a calculation, using the reverse operation)			
D.1	scope of task is limited			

Task Title: Interest_I_A1.1_A1.2_C1.2_D1

Levels	Performance Descriptors	Needs Work	Completes task with support from practitioner	Completes task independently
D.1	requires the use of a limited range of features and options			
D.1	has a set procedure			
D.1	has a highly specific purpose			

This task:

Was successfully completed ☐   Needs to be tried again ☐

Learner Comments:

Instructor (print):

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Practitioner Copy