# Task-based Activity Cover Sheet

## Task Title: Interest

<table>
<thead>
<tr>
<th>Learner Name:</th>
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<tbody>
<tr>
<td>Date Started:</td>
<td>Date Completed:</td>
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<tr>
<td>Successful Completion: Yes ☐ No ☐</td>
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### 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 Group(s):
- **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
Task Title: Interest

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 07/30/17).

Learner Information and Tasks:

Task 1: What is the definition of interest?

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?

Task 3: What is the attraction to a variable rate interest loan?
Task 4: What happens in a variable interest rate loan if the market interest rates rise?

Task 5: What is the definition of Compound Interest?

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

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

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 02/26/18).

Answer Key

Task 1: What is the definition of interest?

A: 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?

A: $1050

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

A: 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?

A: 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?

A: 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.

A: $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.

A: 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

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

**This task:**  was successfully completed ☐    needs to be tried again ☐

**Learner Comments**

____________________________  __________________________
Instructor (print)  Learner Signature