

LESSON 131

Objective

- To teach *calculating simple interest, using full years and whole-number interest rates.

Review

- Calculating unit prices (Lesson 130).
 - 1 qt. milk for \$0.65, or 4 quarts for \$2.20 (\$0.65 per quart; \$0.55 per quart)
 - 14 oz. noodles for \$0.65, or 18 oz. for \$0.79 (14 oz.: about \$0.046 per ounce = \$0.05 to nearest cent; 18 oz.: about \$0.044 per ounce = \$0.04 to nearest cent)
- Calculating profit (Lesson 129). The following table represents some greenhouse expenses.

	<i>Income</i>	<i>Seeds & Plants</i>	<i>Fuel & Electric</i>	<i>Supplies</i>	<i>Total Expenses</i>	<i>Profit</i>
a.	\$197.59	\$88.43	\$80.49	\$15.56	(\$184.48)	(\$13.11)
b.	\$305.39	\$42.84	\$35.95	\$26.91	(\$105.70)	(\$199.69)
c.	\$278.42	\$15.63	\$12.35	\$38.63	(\$66.61)	(\$211.81)

- Finding what percent one number is of another (Lessons 122, 123).
 - 4 is (33 $\frac{1}{3}$ %) of 12
 - 3 is (20%) of 15
 - 5 is (41 $\frac{2}{3}$ %) of 12
 - 16 is (26 $\frac{2}{3}$ %) of 60

Introduction

Ask the students if they know where banks get their money. A complete answer would be quite involved, but for the present purpose it is sufficient to say that banks get money from people who deposit money in banks.

What do banks do with the money on deposit? (They lend it out.) What term is used for the “rent” that people pay on borrowed money? (The term is *interest*.)