

What's left at the end of the month

Lesson: zerotoinvest.com/en/lesson/household-budget/

Name _____

Date _____

EXERCISE 1

Take home pay \$2,600, fixed costs \$1,200, variable \$750, yearly costs \$1,800 a year. What is the honest savings rate?

Your answer

EXERCISE 2

For the yearly costs account: insurance \$720, holidays \$1,500, gifts \$400 a year. How much goes into the account each month?

Your answer

EXERCISE 3

How much do \$100 and \$300 a month grow to after 25 years at 6 percent a year, paid in at the start of each month? Use the compound interest calculator.

Your answer

EXERCISE 4

You raise your savings by \$50 a month. How much more do you put aside per year?

Your answer

Tip: the calculators on zerotoinvest.com help you check your answers.

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Solutions: What's left at the end of the month

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Exercise 1. Yearly costs per month: $\$1,800 \div 12 = \$150$. $\$2,600 - \$1,200 - \$750 - \$150 = \$500$.

Exercise 2. $(\$720 + \$1,500 + \$400) \div 12 = \$218.33$.

Exercise 3. About \$69,646 and about \$208,938. Three times the rate gives three times the result, for certain and without a better return.

Exercise 4. $\$50 \times 12 = \$600$ a year.

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