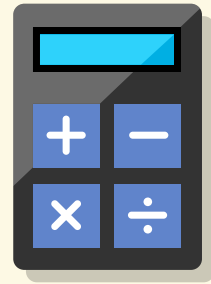




Simple versus compound interest



This sequence is intended as a framework to be modified and adapted by teachers to suit the needs of a class group

Resources needed

- Representing linear and exponential growth – Visualiser
- Linear and exponential growth card sets – To print
- Linear and exponential growth answer sheet
- Simple versus compound interest – Explainer
- Growing your money – Worksheet

Suggested activity sequence

Part A: What is the difference between simple and compound interest?

- 1 Use a grouping strategy to organise students in groups of 3 or 4.
- 2 Students read the explainer and in groups construct a brief description of the difference between simple and compound interest and why it matters.
- 3 As a class, discuss student responses.

Part B: Representing linear and exponential growth

- 1 Display the visualiser and work through each slide, giving students time to answer the questions. The visualiser provides answers to questions you can work through with students if needed.
- 2 Organise students into groups of 3 or 4. Give groups the following linear and exponential function cards in the order given below. Only give them a set of cards after they have matched the previous set.

Card set	Groups:
1. Investment plans and formulas	Match plans to formulas and develop missing formulas
2. Graphs and tables	Complete missing information in tables and match tables with graphs. Match these with plans and formulas.
3. Statements	Match statements with plans, formulas, graphs and tables.

- 3 Pair 2 groups to compare and explain their matching.
- 3 Individual groups finalise their matching and create a poster by pasting their matching cards into 2 categories – simple interest and compound interest. Encourage students to provide a rationale for the way they have matched their cards.
- 5 Display completed posters on the wall and allow students to view the work of other groups. If necessary, identify any misconceptions or errors.
- 6 Students complete the *worksheet* individually.