

**Credit Cards Hand-In****/24**

1. Use the attached credit card statement to answer the following questions:  
**(1 mark each)**
  - a) On what date was the statement issued?
  - b) What is the annual interest rate charged to the cardholder?
  - c) What is the daily interest rate charged to the cardholder?
  - d) What is the cost of the purchases made during the monthly statement period?
  - e) What is the minimum monthly payment?
  - f) How much credit is still available?
  - g) What is the credit limit of the cardholder?
  
2. Calculate the daily interest rate if the annual interest rates are as follows:  
**(1 mark each)**
  - a) 22%
  - b) 17.4%
  
3. The new balance on a monthly credit card statement is \$689.32. The minimum monthly payment corresponds to at least 5% of the ending balance or \$10.00, whichever is greater. Calculate the minimum monthly payment.  
**(2 marks)**
  
4. The new balance on a monthly credit card statement is \$157.42. The minimum monthly payment corresponds to at least 5% of the ending balance or \$10.00, whichever is greater. Calculate the minimum monthly payment.  
**(2 marks)**
  
5. Joy's monthly statement includes the following items:  
previous balance: \$1638.92  
payment: \$650.00  
purchases: \$879.54  
interest charges: \$32.75  
minimum monthly payment corresponds to at least 5% of her ending balance or \$10.00, whichever is greater.
  - a) Calculate Joy's new balance. **(2 marks)**
  - b) Calculate Joy's minimum monthly payment. **(2 marks)**

6. Monique's monthly statement includes the following items:

previous balance: \$384.26

payment: \$275.00

purchases: \$0

interest charges: \$4.50

minimum monthly payment corresponds to at least 5% of her ending balance or \$10.00, whichever is greater.

- a) Calculate Monique's new balance. **(2 marks)**
- b) Calculate Monique's minimum monthly payment. **(2 marks)**

7. Wayne makes a purchase for \$2175 on his credit card on Jan 31. The purchase appears on the monthly statement issued on Feb 20, but he does not pay for the purchase by the due date on the Feb statement. The next monthly statement is issued on March 20. What is the interest added to his March bill for this purchase if the annual interest rate is 21%? **(3 marks)**

<b>Last statement</b>		<b>Card number</b>		<b>This statement</b>		<b>Payment due by</b>		<b>Page</b>	
22DEC97		2233 4455 6677 8899		22JAN98		12FEB98		1 of 1	

Trans. date M D	Posting date M D	Ref. no	Description	Amount	Previous balance	Amount
			CARD NO: 2233 4455 6677 8899		68.91	
12/27	12/30	1	Jeans and More Clothing	61.63		
12/31	12/31	2	CD Music	25.49		
01/08	01/09	3	Jeans and More Clothing	29.55		
01/09	01/10	4	Zach's Electronics	26.74		
01/10	01/13	5	J&M Department Store	20.50		
01/15	01/16	6	Gerry's Computer Supplies	31.03		
01/16	01/16	7	Payment Received -- Thank you	68.91CR		68.91CR
01/18	01/20	8	Advance Tickets	45.57		
01/19	01/20	9	Dominion Automotive	113.98		
				<b>New balance</b>		<b>\$354.49</b>
					Amount past due	0.00
				<b>Minimum payment</b>		<b>17.00</b>
					Credit limit	3,500.00
					Credit available	3,145.51
					Paid	\$

<b>Interest information</b>				<b>Interest charges posted on this statement are for transactions appearing on:</b>			
	Current statement	Last month's statement	Previous statements	Total interest charge	Interest rate next period		
					Annual	%	Daily
Cash advances	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	17.40000	0.04767	
Purchases and other	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	17.40000	0.04767	

