

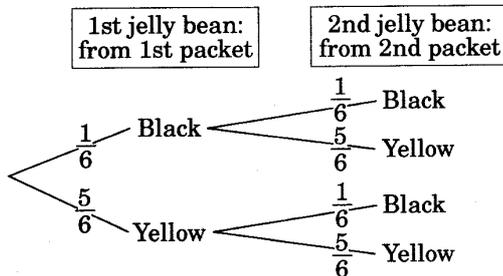
2002 HIGHER SCHOOL CERTIFICATE SOLUTIONS GENERAL MATHEMATICS

SECTION I

SUMMARY

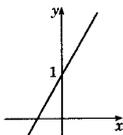
- | | | | |
|------|-------|-------|-------|
| 1. D | 7. C | 13. D | 18. C |
| 2. B | 8. D | 14. A | 19. A |
| 3. C | 9. D | 15. B | 20. B |
| 4. B | 10. B | 16. C | 21. D |
| 5. A | 11. C | 17. B | 22. C |
| 6. A | 12. D | | |

1. (D) Range = $54 - 23 = 31$.
2. (B) $8x^3 - 5x^3 = 3x^3$.
3. (C) $A = 230 \times 230$ (square base)
 $= 52\,900 \text{ m}^2$.
 $V = \frac{1}{3}Ah$ (volume of a pyramid)
 $= \frac{1}{3} \times 52\,900 \times 135$
 $= 2\,380\,500 \text{ m}^3$.
4. (B) Residential amount
 $= 377\,000 \times 0.272\,950c$
 $= 102\,902.15c$
 $= \$1029.0215$
 $\div \$1029.02$.
 Total payable = $\$1029.02 + \195.00
 $= \$1224.02$.
5. (A) In each packet, 1 black + 5 yellow
 $= 6$ jelly beans.



$$P(\text{both black}) = \frac{1}{6} \times \frac{1}{6} = \frac{1}{36}$$

6. (A) $y = 3x + 1$ has gradient 3, y intercept 1. The gradient is positive and steep, and the line cuts the y axis at 1.



7. (C) Market value of all shares = $2000 \times \$4.80$
 $= \$9600$.

$$\text{Dividend yield} = \frac{240}{9600} \times 100\%$$

$$= 2.5\%$$

8. (D) z-score of 3 means 3 standard deviations above the mean.

$$\therefore \text{Di's mark} = 55 + 6 \times 3 = 73.$$

OR
$$z = \frac{x - \bar{x}}{s}$$

$$z = 3, \quad \bar{x} = 55, \quad s = 6,$$

$$\therefore 3 = \frac{x - 55}{6}$$

$$18 = x - 55$$

$$x = 73.$$

9. (D) From the table, the monthly repayment for a loan of \$200 000 for 30 years at 6.5% pa interest is \$1265.

$$\text{Total repayments}$$

$$= \$1265 \times 12 \times 30$$

$$= \$455\,400.$$

10. (B) Radius of ball $r = \frac{1}{2} \times 1.2 = 0.6 \text{ m}$.

$$\text{Surface area of ball} = 4\pi r^2$$

$$= 4 \times \pi \times (0.6)^2$$

$$= 4.5238 \dots \text{ m}^2.$$

$$\text{Cost of vinyl} = 4.5238 \dots \times \$32$$

$$= \$144.764 \dots$$

$$\div \$145.$$

11. (C) $V_0 = \$4999, r = 40\% = 0.4, n = 2$.

$$S = V_0(1 - r)^n \text{ (Declining balance formula)}$$

$$= 4999(1 - 0.4)^2$$

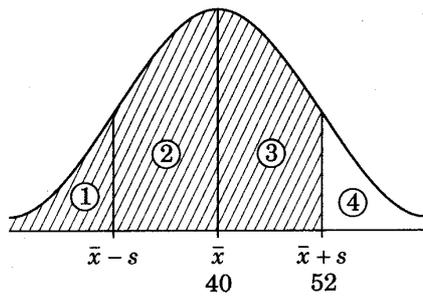
$$= 4999(0.6)^2$$

$$= 1799.64$$

$$\div \$1800.$$

12. (D) 52 is one standard deviation above the mean.

It is necessary to find the percentage represented by the shaded area in the following diagram.



METHOD 1

Areas ① + ② = 50% (half of scores are below the mean).

Areas ② + ③ = 68% (within 1 standard deviation of the mean).

$$\begin{aligned} \therefore \text{Area } \textcircled{3} &= \frac{1}{2} \times 68\% \\ &= 34\%. \end{aligned}$$

$$\therefore \text{Shaded area} = 50\% + 34\% = 84\%.$$

METHOD 2

Areas ② + ③ = 68% (within 1 standard deviation of the mean).

Areas ① + ④ = 100% - 68% = 32%.

$$\begin{aligned} \therefore \text{Area } \textcircled{4} &= \frac{1}{2} \times 32\% \\ &= 16\%. \end{aligned}$$

$$\begin{aligned} \therefore \text{Shaded area} &= 100\% - \text{Area } \textcircled{4} \\ &= 100\% - 16\% \\ &= 84\%. \end{aligned}$$

13. (D) Using the arc length of a circle formula with $l = 12$, $r = 10$:

$$\begin{aligned} l &= \frac{\theta}{360} \times 2\pi r \\ 12 &= \frac{\theta}{360} \times 2 \times \pi \times 10. \\ 12 \times 360 &= \theta \times 20\pi \\ 4320 &= \theta \times 20\pi \\ \frac{4320}{20\pi} &= \theta \\ \theta &= 68.754 \dots^\circ \\ &\doteq 69^\circ. \end{aligned}$$

14. (A) The smallest numbers have the lowest powers of 10:

$$5.6 \times 10^{-2}, 7.2 \times 10^{-2}, 4.8 \times 10^{-1}$$

15. (B) Using the present value formula with $M = \$1200$, $r = 0.05$, $n = 10$:

$$\begin{aligned} N &= M \left[\frac{(1+r)^n - 1}{r(1+r)^n} \right] \\ &= 1200 \left[\frac{(1+0.05)^{10} - 1}{0.05(1+0.05)^{10}} \right] \\ &= 1200 \left[\frac{(1.05)^{10} - 1}{0.05(1.05)^{10}} \right] \\ &= \$9266.0819 \dots \\ &\doteq \$9266. \end{aligned}$$

16. (C)

$$\begin{aligned} w &= 2y^3 - 1 \\ 13 &= 2y^3 - 1 \\ 14 &= 2y^3 \\ \frac{14}{2} &= y^3 \\ 7 &= y^3 \\ y^3 &= 7 \\ \therefore y &= \sqrt[3]{7}. \end{aligned}$$

17. (B) From the graph,
cumulative frequency for 3 movies = 25,
cumulative frequency for 4 movies = 35.
 \therefore Frequency for 4 movies = 35 - 25 = 10.

18. (C) **METHOD 1**

$$\begin{aligned} P(\text{win 1st prize}) &= \frac{1}{200}, \\ \text{return} &= \$100 - \$1 \\ &= \$99. \\ P(\text{win 2nd prize}) &= \frac{1}{200}, \\ \text{return} &= \$50 - \$1 \\ &= \$49. \\ P(\text{not winning prize}) &= \frac{198}{200}, \\ \text{return} &= \$0 - \$1 \\ &= -\$1. \end{aligned}$$

Financial expectation

$$\begin{aligned} &= \frac{1}{200}(\$99) + \frac{1}{200}(\$49) + \frac{198}{200}(-\$1) \\ &= -\$0.25. \end{aligned}$$

METHOD 2

Ticket sales = 200 × \$1 = \$200.

Total prizes = 100 + 50 = \$150.

Raffle makes a profit of \$50.

Financial expectation for all tickets is -\$50.

Financial expectation for each ticket = $\frac{-50}{200} = -\$0.25$.

19. (A) **METHOD 1**

Let the original population be P .

After the first year, the population is $P + 20\%P = P + 0.2P = 1.2P$.

After the second year, the population

$$= 1.2P - 10\%(1.2P)$$

$$= 1.2P - 0.1(1.2P)$$

$$= 1.2P - 0.12P$$

$$= 1.08P.$$

$\therefore P$ increasing to $1.08P$ is a 0.08 increase or an 8% increase.

METHOD 2

Let the original population be, say, 10 000.

After the first year, the population is
 $10\,000 + 20\% \times 10\,000 = 10\,000 + 2000$
 $= 12\,000$.

After the second year, the population is
 $12\,000 - 10\% \times 12\,000 = 12\,000 - 1200$
 $= 10\,800$.

\therefore Total increase = $\$10\,800 - 10\,000$
 $= 800$.

Hence % increase = $\frac{800}{10\,000} \times 100\%$
 $= 8\%$.

METHOD 3

Let the original population be P .

After the first year, the population is
 $P(1 + 0.2) = 1.2P$.

After the second year, the population is
 $1.2P(1 - 0.1) = 1.2P(0.9)$
 $= 1.08P$.

\Rightarrow An increase of 0.08 or 8%.

20. (B) Rob (R) and Alex (A) each have twice the chance of Tan (T) to win the race.
 Sample space is R, R, A, A, T .

\therefore $P(\text{Tan winning}) = \frac{1}{5}$.

21. (D) Area of one sheet = 0.21×0.3
 $= 0.063 \text{ m}^2$.

\therefore Mass of one sheet = $0.063 \times 80 \text{ g}$
 $= 5.04 \text{ g}$.

Mass of pile of paper = 25.2 kg
 $= 25.2 \times 1000 \text{ g}$
 $= 25\,200 \text{ g}$.

\therefore No. of sheets = $25\,200 \text{ g} \div 5.04 \text{ g}$
 $= 5000$.

22. (C) Tax per dollar earned over \$30 000 is equal to the gradient of the line between (30 000, 1000) and (60 000, 7000).

Gradient = $\frac{7000 - 1000}{60\,000 - 30\,000}$
 $= \frac{6000}{30\,000}$
 $= \frac{1}{5}$
 $= 20 \text{ cents per dollar}$.

SECTION II**Question 23**

(a) (i) Fortnightly net pay
 $= \$1500 - \$269.17 - \$7.88 - \16
 $= \$1206.70$.

(ii) 4 weeks' gross pay = $2 \times \$1500$
 $= \$3000$.

Annual leave loading = $17\frac{1}{2}\% \times \$3000$
 $= \$525$.

(iii) (1) **METHOD 1**

120% of original price = €180.

1% of original price = $\frac{\text{€}180}{120}$
 $= \text{€}1.5$.

\therefore Original price (100%) = $\text{€}1.5 \times 100$
 $= \text{€}150$.

METHOD 2

$1.2 \times$ original price = €180.

Original price = $\frac{\text{€}180}{1.2}$
 $= \text{€}150$.

(2) **METHOD 1**

Let $\$Ax = \text{€}180$.

By comparing ratios of $\$A$ amounts and € amounts:

$$\frac{x}{1} = \frac{180}{0.58}$$

$$x = 310.3448 \dots$$

$$\div 310.34$$

$\therefore \text{€}180 \div \$A310.34$.

METHOD 2

$\$A1 = \text{€}0.58$

Divide both sides by 0.58:

$$\$A1.7241 \dots = \text{€}1$$

Multiply both sides by 180:

$$\$A1.7241 \dots \times 180 = \text{€}180$$

$$\$A310.3448 \dots = \text{€}180$$

$\therefore \text{€}180 \div \$A310.34$.

(b) (i) *Katherine*

Using the compound interest formula with

$$P = \$50\,000, n = 5, r = 3.1\% = \frac{3.1}{100}$$

$$= 0.031.$$

$$A = P(1+r)^n$$

$$= \$50\,000(1+0.031)^5$$

$$= \$50\,000(1.031)^5$$

$$= \$58\,245.627\,81 \dots$$

$$\div \$58\,246 \text{ (to the nearest dollar)}$$

(ii) *Liz*

Using the compound interest formula with

$$P = \$50\,000,$$

$$r = \frac{0.03}{12} = 0.0025 \text{ (per month)},$$

$$n = 5 \times 12 = 60 \text{ (months)}.$$

$$\begin{aligned}
 A &= P(1+r)^n \\
 &= \$50\,000(1+0.0025)^{60} \\
 &= \$50\,000(1.0025)^{60} \\
 &= \$58\,080.839\dots \\
 &\div \$50\,081.
 \end{aligned}$$

∴ Katherine makes the better investment.

(c) (i) 10% deposit = $10\% \times \$5000 = \500 .
 Remaining balance = $\$5000 - \$500 = \$4500$.

Interest on balance
 = Prn (Simple interest formula)
 = $\$4500 \times 0.15 \times 3 = 2025$.

Total owing = $\$4500 + \$2025 = \$6525$.

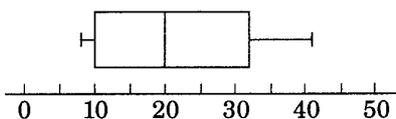
Monthly repayment
 = $\$6525 \div 36 = \181.25 .

- (ii) (1) 2 years = 24 months.
 On the graph, each unit on the vertical axis represents \$100. The balance owing after 24 months = \$3400.
 (2) Half-paid loan = $\frac{1}{2} \times \$5000 = \2500 .
 On the graph, each unit on the horizontal axis represents 1 month. The loan is half-paid at 35 months (or 2 years 11 months).

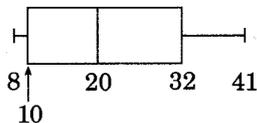
Question 24

(a) (i) Bags more than 30 kg = 3.
 ∴ $P(\text{more than 30}) = \frac{3}{12} = \frac{1}{4}$.

(ii) **METHOD 1**



METHOD 2



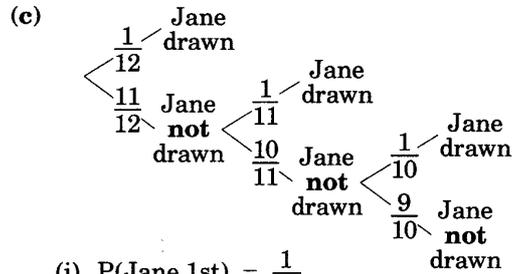
(iii) $IQR = Q_3 - Q_1 = 32 - 10 = 22$.

(b) (i) $A = 53 - 10 = 43$ (or $105 - 62 = 43$)
 $B = 10 + 8 = 18$ (or $53 + 70 - 105 = 18$).

(ii) $53 + 70 = 123$ cars (or $18 + 105 = 123$).

(iii) $\frac{\text{Number of female drivers}}{\text{Number of drivers}} = \frac{70}{123}$.

(iv) $\frac{\text{Number of female drivers, headlights on}}{\text{Number of female drivers}} = \frac{8}{70} = \frac{4}{35}$.



(i) $P(\text{Jane 1st}) = \frac{1}{12}$.

(ii) **METHOD 1**
 $P(\text{Jane 2nd}) = P(\text{not drawn first, then drawn 2nd}) = \frac{11}{12} \times \frac{1}{11} = \frac{1}{12}$.

METHOD 2

Only one particular student can be drawn second.
 ∴ $P(\text{Jane 2nd}) = \frac{1}{12}$.

(iii) **METHOD 1**
 $P(\text{Jane not drawn}) = \frac{11}{12} \times \frac{10}{11} \times \frac{9}{10} = \frac{9}{12} = \frac{3}{4}$.

METHOD 2

3 people are chosen,
 ∴ 9 are not chosen.
 ∴ $P(\text{Jane not chosen}) = \frac{9}{12} = \frac{3}{4}$.

Question 25

(a) (i) (1) $\triangle AED$ and $\triangle ACB$.

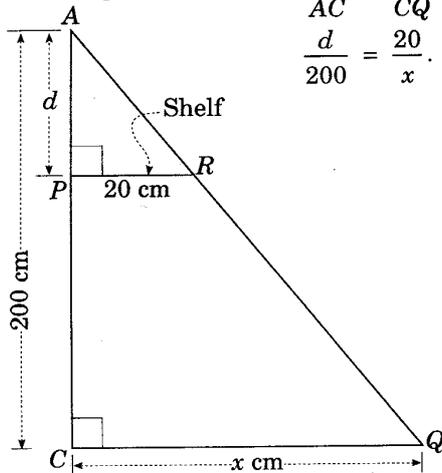
(2) $AE = 50$ cm
 $AC = 50$ cm + 150 cm = 200 cm.
 ∴ Enlargement factor = $\frac{AC}{AE} = \frac{200}{50} = 4$.

(3) **METHOD 1**
 $CB = 4$ times larger than $ED = 4 \times 20 = 80$ cm.

METHOD 2
 By ratios of matching sides: $\frac{CB}{ED} = \frac{AC}{AE} = \frac{CB}{20} = 4$.

∴ $CB = 4 \times 20 = 80$ cm.

- (ii) As triangles are similar, $\frac{AP}{AC} = \frac{PR}{CQ}$
 $\frac{d}{200} = \frac{20}{x}$.



(Or equivalent equations such as $d = \frac{4000}{x}$ or $dx = 4000$.)

- (b) (i) 60°W 0° 140°E
 Buenos Aires Adelaide

Difference in longitude = $60^\circ + 140^\circ = 200^\circ$.

METHOD 1

1° longitude = 4 minutes.
 \therefore Difference in time = 200×4
 = 800 minutes
 = 13 h 20 min.

METHOD 2

15° longitude = 1 hour.
 \therefore Difference in time = $\frac{200^\circ}{15^\circ}$
 = $13\frac{1}{3}$ hours
 = 13 h 20 min.

ie. Adelaide is 13 h 20 min ahead of Buenos Aires.

- (ii) Roy must call 13 h 20 min after 7 pm Friday. That is, at 8:20 am Saturday (Adelaide time).

- (c) (i) Using the formula for the area of an annulus:

$$\begin{aligned} \text{Area} &= \pi(R^2 - r^2), \text{ where } R = 1.496 \times 10^8 \\ &\quad r = 1.082 \times 10^8 \\ &= \pi \left[(1.496 \times 10^8)^2 - (1.082 \times 10^8)^2 \right] \\ &= 3.352 \dots \times 10^{16} \\ &\doteq 3.4 \times 10^{16} \text{ km}^2 \text{ (2 sig. figures).} \end{aligned}$$

- (ii) **METHOD 1**

$$\begin{aligned} A &= \pi(R^2 - r^2). \\ A &= \pi \times R^2 - \pi \times r^2 \\ A + \pi \times r^2 &= \pi \times R^2 \end{aligned}$$

$$\begin{aligned} \therefore \pi \times R^2 &= A + \pi \times r^2 \\ R^2 &= \frac{A + \pi \times r^2}{\pi} \\ R &= \pm \sqrt{\frac{A + \pi r^2}{\pi}}, \end{aligned}$$

but since R is the length of the radius, it must be positive,

$$\therefore R = \sqrt{\frac{A + \pi r^2}{\pi}}.$$

METHOD 2

$$\begin{aligned} A &= \pi(R^2 - r^2). \\ \frac{A}{\pi} &= R^2 - r^2 \\ \frac{A}{\pi} + r^2 &= R^2 \\ R^2 &= \frac{A}{\pi} + r^2 \\ R &= \pm \sqrt{\frac{A}{\pi} + r^2}. \end{aligned}$$

But since R is the length of the radius, it must be positive.

$$\therefore R = \sqrt{\frac{A}{\pi} + r^2}.$$

- (iii) $A = 6.79 \text{ mm}^2$, $r = 0.75 \text{ mm}$.

METHOD 1

Using the 1st formula from (ii),

$$\begin{aligned} R &= \sqrt{\frac{A + \pi r^2}{\pi}} \\ &= \sqrt{\frac{6.79 + \pi \times (0.75)^2}{\pi}} \\ &= 1.650\ 401 \dots \\ &\doteq 1.65 \text{ (correct to 2 d.p.).} \end{aligned}$$

METHOD 2

Using the 2nd formula from (ii),

$$\begin{aligned} R &= \sqrt{\frac{A}{\pi} + r^2} \\ &= \sqrt{\frac{6.79}{\pi} + 0.75^2} \\ &= \sqrt{2.7238 \dots} \\ &= 1.650\ 401 \dots \\ &\doteq 1.65 \text{ mm (correct to 2 d.p.).} \end{aligned}$$

METHOD 3

$$\begin{aligned} \text{Using } A &= \pi(R^2 - r^2). \\ 6.79 &= \pi(R^2 - 0.75^2) \\ &= \pi(R^2 - 0.5625) \\ &= \pi R^2 - 1.7671 \dots \\ 6.79 + 1.7671 \dots &= \pi R^2 \\ 8.557\ 14 \dots &= \pi R^2 \end{aligned}$$

$$R^2 = \frac{8.55714 \dots}{\pi}$$

$$= 2.7238 \dots$$

$$R = \sqrt{2.7238 \dots}$$

$$= 1.650401 \dots$$

$$\doteq 1.65 \text{ mm (correct to 2 d.p.)}$$

Question 26

(a) **METHOD 1**

For the average to be 6 after four quizzes, the total marks must be $6 \times 4 = 24$.

Vicki's marks so far = $3 \times 5 = 15$.

\therefore Vicki needs 9 marks in the next quiz.

METHOD 2

$$\bar{x} = \frac{\text{sum of scores}}{\text{no. of scores}}$$

After 3 quizzes, $\bar{x} = 5$,

$$\therefore 5 = \frac{\text{sum of scores}}{3}$$

\therefore sum of scores is 15.

Let the required mark be x .

After the next quiz, Vicki wants an average $\bar{x} = 6$.

$$\therefore 6 = \frac{\text{sum of scores}}{4}$$

$$6 = \frac{15 + x}{4}$$

$$24 = 15 + x$$

$$x = 24 - 15$$

$$= 9.$$

\therefore Vicki needs 9 marks in the next quiz.

(b) (i) $\bar{x} = 3.1\dot{3}$ (Sum of scores = 94, number of scores = 30.)
 $\doteq 3.13$ (correct to 2 d.p.)

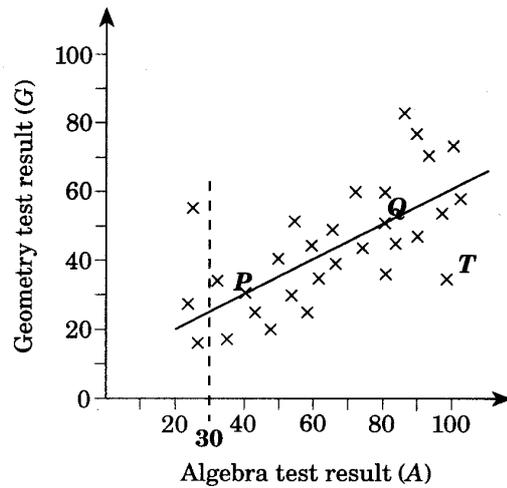
(ii) Sample s.d. $(\sigma_{n-1}) = 1.66$ (correct to 2 d.p.)

(iii) There are 30 scores.
 \therefore Median is average of 15th and 16th scores
 $= \frac{4 + 4}{2}$
 $= 4.$

(iv) As the scores are bunched at the higher end (4 or 5) the data are negatively skewed.

(v) In the sample, $9 + 7 = 16$ students sent more than 3 text messages.
 P(student sending more than 3 messages)
 $= \frac{16}{30}$
 Estimate = $\frac{16}{30} \times 150 = 80$.
 \therefore The number is approximately 80 students.

(c)



(i) By counting the crosses on the left of the vertical line $A = 30$, three students scored less than 30 for algebra.

(ii) Using points $P(40, 30)$ and $Q(80, 50)$:
 • vertical change = $50 - 30 = 20$.
 • horizontal change = $80 - 40 = 40$.
 \therefore Gradient = $\frac{20}{40} = \frac{1}{2}$.

(iii) **METHOD 1**

Extending the line, y intercept = 10.

Equation $y = mx + b$

$$\Rightarrow y = \frac{1}{2}x + 10.$$

METHOD 2

Equation of the line is $y = mx + b$,

where $m = \frac{1}{2}$,

$$\therefore y = \frac{1}{2}x + b.$$

Substitute $P(40, 30)$ to find b :

$$30 = \frac{1}{2}(40) + b$$

$$= 20 + b$$

$$\therefore b = 10.$$

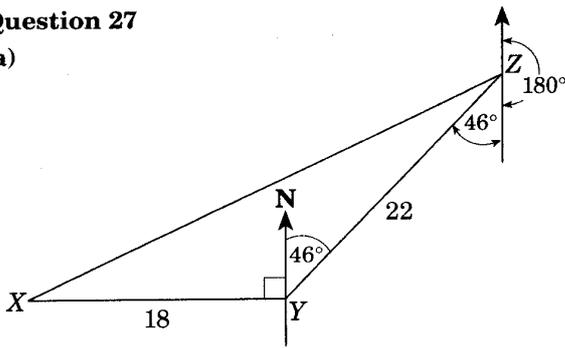
$$\therefore \text{Equation of the line is } y = \frac{1}{2}x + 10.$$

(iv) There is a strong positive correlation between the two sets of results.

(v) This statement is true for **some** students, but not **all**. For example, the student marked T on the graph came second (about 96) in algebra, but below half-way (about 32) in geometry.

Question 27

(a)



(i) $\angle XYZ = 90 + 46 = 136^\circ$.

(ii) Using the cosine rule:

$$c^2 = a^2 + b^2 - 2ab \cos c,$$

with $a = 18$, $b = 22$, $c = 136^\circ$.

$$XZ^2 = 18^2 + 22^2 - 2 \times 18 \times 22 \times \cos 136^\circ$$

$$XZ = 1377.71 \dots$$

$$X = \sqrt{1377.71 \dots}$$

$$= 37.117 \dots$$

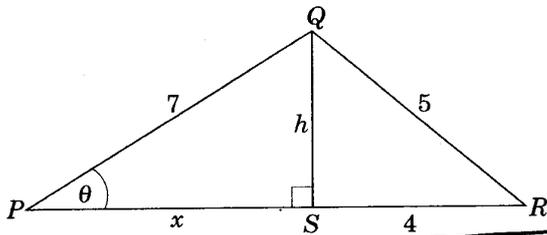
$$\doteq 37.1 \text{ km (1 d.p.)}$$

(iii) See diagram in (i).

The marked angle at $Z = 46^\circ$ by alternate angles between parallel lines.

Bearing of Y from $Z = 180 + 46 = 226^\circ$.

(b)



(i) Need to know PS . Let $PS = x$ and $QS = h$.
Use Pythagoras's theorem twice.
In $\triangle QRS$:

$$h^2 + 4^2 = 5^2$$

$$h^2 = 25 - 16$$

$$= 9$$

$$h = 3.$$

In $\triangle QPS$:

$$x^2 + h^2 = 7^2$$

$$x^2 = 49 - 9$$

$$= 40$$

$$x = \sqrt{40}$$

$$= 6.3 \text{ (1 d.p.)}$$

\therefore Perimeter of $\triangle PQR$

$$= 7 + 5 + 4 + 6.3$$

$$= 22.3 \text{ cm (1 d.p.)}$$

(ii) Let $\theta = \angle QPS$.

Use $\triangle QPS$: $\sin \theta = \frac{3}{7}$

$$\theta = 25.37 \dots$$

$\therefore \angle QPS = 25^\circ$ (nearest degree).

(c) (i) Shaded area (area $ABFE$):
Using Simpson's rule,

$$A \doteq \frac{h}{3}(d_f + 4d_m + d_r), \text{ with } h = 150$$

$$d_f = 120$$

$$d_m = 37$$

$$d_r = 40$$

$$= \frac{150}{3}(120 + 4 \times 37 + 40)$$

$$= 15\,400 \text{ m}^2.$$

(ii) Area of lake = area of rectangle
- (area $ABFE$ + area $DCFE$)

$$\text{Area of rectangle} = 300 \times 200$$

$$= 60\,000 \text{ m}^2.$$

$$\text{Area } ABFE = 15\,400, \text{ from (i).}$$

$$\text{Area } DCFE = \frac{150}{3}(80 + 4 \times 77 + 160)$$

(Simpson's rule)

$$= 27\,400.$$

$$\therefore \text{Area of lake} = 60\,000 - (15\,400 + 27\,400)$$

$$= 17\,200 \text{ m}^2.$$

Question 28

(a) (i)



$$A = bx \text{ (area of a rectangle).}$$

Now $b + 2x = 28$

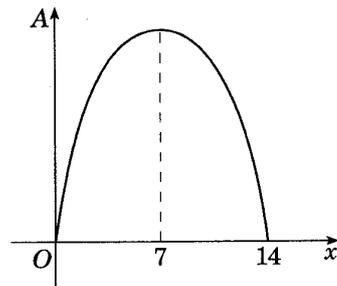
so $b = 28 - 2x$.

$$\therefore A = (28 - 2x)x$$

$$= 28x - 2x^2.$$

(ii) x must be greater than zero in order to have a gutter, and x must be less than 14 (half of 28) because when $x = 14$ the base is zero.

(iii)

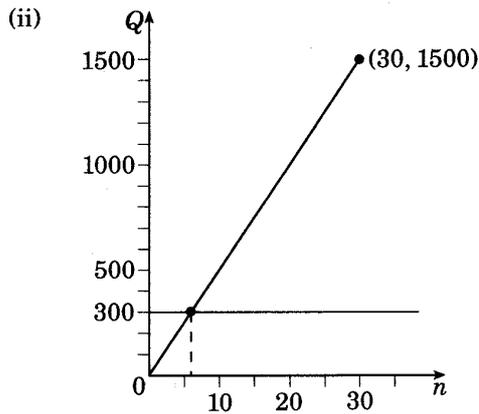


Since the parabola is symmetrical, the maximum occurs at the middle, where $x = 7$.

$$\text{When } x = 7, A = 28 \times 7 - 2 \times 7^2$$

$$= 98 \text{ cm}^2.$$

(b) (i) $Q = 50n$.



(iii) On the graph, the point where the lines meet is the break-even point where Toby has earned the amount he spent on equipment. This occurs where $n = 6$, which means that after 6 parties he starts making a profit.

(iv)

<u>Amount saved in each year</u>	\$
2001, Year 9:	900
2002, Year 10:	$900 + 30\% \times 900 = 1170$
2003, Year 11:	$1170 + 30\% \times 1170 = 1521$
2004, Year 12:	$1521 + 30\% \times 1510 = 1977.30$
\therefore Total saved	$= \$5568.30$

METHOD 1

Savings account

	<i>Balance at start of year</i>	<i>Interest earned (4%)</i>	<i>Amount added</i>	<i>Balance at end of year</i>
2005, 1st yr	5568.30	222.73	2500	8291.03
2006, 2nd yr	8291.03	331.64	2500	11 122.67
2007, 3rd yr	11 122.67	444.91	2500	14 067.58

With \$14 067.58, Toby does not quite reach his goal of \$15 000.

METHOD 2

After 2004, the investment can be thought of as a combination of:

- an annuity of \$2500 invested yearly for 3 years;
- \$5568.30 invested for 3 years;

These calculations are:

- \$2500 invested yearly at 4% pa compounded annually for 3 years. Using the future value formula, with $M = \$2500$, $r = 4\% = 0.04$, $n = 3$:

$$A = \frac{M[(1+r)^n - 1]}{r}$$

$$= \frac{2500[(1+0.04)^3 - 1]}{0.04}$$

$$= \$7804;$$

- \$5568.30 invested for 3 years at 4% p.a. Using the compound interest formula, with $P = \$5568.30$, $r = 4\% = 0.04$, $n = 3$:

$$A = P(1+r)^n$$

$$= 5568.30(1+0.04)^3$$

$$= \$6263.58 \text{ (nearest cent).}$$

$$\therefore \text{Total value of investment} = \$7804 + \$6263.58 = \$14\,067.58.$$

With \$14 067.58, Toby will not reach his goal of \$15 000. (He will be short by \$932.42.)