



Well Done to

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.... and Liam and Alfie O

Exchange Rates

LO: To be able to exchange Pounds Sterling into foreign currency.

LO: To be able to exchange Pounds Sterling into a foreign currency.

- 1) What is Simple and Compound Interest?
- 2) How is Simple and Compound Interest Calculated?
- 3) Practise finding Simple and Compound Interest.
- 4) Thinking Question.....
- 5) Follow up work.

LO: To be able to exchange Pounds Sterling into a foreign currency.

WHAT IS AN EXCHANGE RATE?

Rate at which one currency may be converted into another. The exchange rate is used when simply converting one currency to another.

LO: To be able to exchange Pounds Sterling into a foreign currency.

CHANGING TO A FOREIGN CURRENCY

$$\begin{array}{ccccc} \text{FOREIGN} & = & \text{HOME} & \times & \text{EXCHANGE} \\ \text{CURRENCY} & & \text{CURRENCY} & & \text{RATE} \end{array}$$

LO: To be able to exchange Pounds Sterling into a foreign currency.

Ann is going to Spain on holiday and changes £200 to euros.
How many euros does she get?

STEP 1: FIND THE EXCHANGE RATE IN THE TABLE

€1.58

STEP 2: INSERT AMOUNTS INTO THE FORMULA

CHANGING TO A FOREIGN CURRENCY

FOREIGN = HOME × EXCHANGE
CURRENCY = CURRENCY RATE

FOREIGN = £200 × €1.58
CURRENCY

= €316

Country	Exchange rate for £s sterling
Australia	2.82 Australian dollars
European countries	1.58 euros
Switzerland	2.32 Swiss francs
South Africa	16.34 rand
Turkey	2520000 New Turkish lira
U.S.A.	1.55 US dollars

Ann is going to Spain on holiday and changes £200 to euros. How many euros does she get?

STEP 1: FIND THE EXCHANGE RATE IN THE TABLE

STEP 2: INSERT AMOUNTS INTO THE FORMULA

FOREIGN CURRENCY = BRITISH CURRENCY x EXCHANGE RATE

AMOUNT OF EUROS = £200 x 1.58

AMOUNT OF EUROS = € 316

£200 = €316

LO: To be able to exchange Pounds Sterling into a foreign currency.

Change the following amounts in to the given foreign currencies.

Country	Exchange rate for £s sterling
Australia	2.82 Australian dollars
European countries	1.58 euros
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Turkey	2520000 New Turkish lira
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- 1) Change £150 into Australian Dollars $£150 \times 2.82$ \$ 423
- 2) Change £390 into US Dollars $£390 \times 1.55$ \$ 604.50
- 3) Change £250 into Euros $£250 \times 1.58$ € 395
- 4) Change £1500 into rand $£1500 \times 16.34$ 24510 rand
- 5) Change £500 into Swiss Francs $£500 \times 2.32$ 1160 Swiss Francs

LO: To be able to exchange Pounds Sterling into a foreign currency.

Ann saves £15 per week for 18 weeks for spending money for her holiday. She exchanges pounds for US dollars.

How many US dollars does she get? \$ 410.40

Tim is going to Florida for his holidays. He saves £250 of his pocket money.

How many dollars will he get? \$ 380

Who gets more dollars? How much more? Ann \$ 410.40 - \$380 = \$30.40

Exchange Rates (£1 =)

Europe	1.15 euros	Japan	125.97 yen
Australia	1.57 Dollars	India	57.23 Rupees
USA	1.52 Dollars	S.Africa	10.63 Rand

LO: To be able to exchange Pounds Sterling into a foreign currency.

Jane had £250 to spend on her trip to South Africa. She buys souvenirs costing 950 Rand, clothes costing 635 Rand and she spends 500 Rand on entertainment.

How much Rand does she have left?

How much will she have left when she changes back to Pounds?

How many Rand does she get for her £250

$$250 \times 10.63 = 2657.50 \text{ Rand}$$

How much does she spend?

$$950 + 635 + 500 = 2085 \text{ Rand}$$

How much will she have left?

$$2657.50 - 2085 = 572.50$$

How will you change back to Pounds?

Divide by the exchange rate

$$572.50 \div 10.63 = \text{£}53.86$$

Exchange Rates (£1 =)

Europe	1.15 euros	Japan	125.97 yen
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CHANGING TO HOME CURRENCY

$$\text{HOME CURRENCY} = \frac{\text{FOREIGN CURRENCY}}{\text{EXCHANGE RATE}}$$

LO: To be able to exchange Pounds Sterling into a foreign currency.

Dave returns from Switzerland with 55 Euros. He changes the Euros back to British money. How much does he get back?

$$55 \div 1.15 = \text{£}47.83$$

Heather returns from Australia with 200 Australian dollars. She changes them back to pounds. How much does she get back?

$$200 \div 1.57 = \text{£}127.39$$

A car costs £8500 in the UK. The same car costs 12798 Euros in Holland.

$$12798 \div 15 = \text{£}11128.70$$

Where is the car cheapest?
How much Cheaper is it?

Cheaper in UK

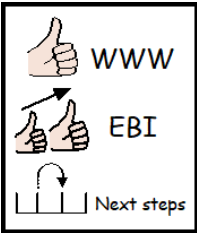
$$11128.70 - 8500 = 2628.70$$

CHANGING TO HOME CURRENCY

HOME =
CURRENCY

FOREIGN ÷ EXCHANGE
CURRENCY RATE

Europe	1.15 euros	Japan	125.97 yen
Australia	1.57 Dollars	India	57.23 Rupees
USA	1.52 Dollars	S.Africa	10.63 Rand



LO: To be able to calculate Simple and Compound Interest.

Follow up work

- 1) 2 x Exchange rates worksheets