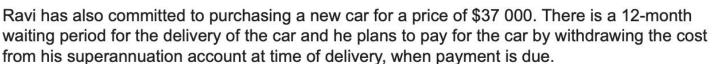
Question 14	(11 marks)
Ravi retired at the beginning of the month, with a superannuation balance of \$945 a written guarantee of a 7.5% per annum return on his superannuation with interest end of each month. Ravi will receive an annuity of \$3200 paid at the end of each for	st added at the



(a)	Calculate the balance in the superannuation account at the end of two years.	(6 marks)
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- (b) After 15 years of retirement Ravi expects to have a less active lifestyle and his living expenses will not be as high. He also understands that the balance of his superannuation needs to last for his remaining years. Ravi decides the most suitable plan for him is to place the balance of his superannuation into a perpetuity with a fortnightly payment.
 - Assuming the 7.5% interest rate is maintained, what fortnightly amount can Ravi expect from the perpetuity? (5 marks)