



- 1 Ben puts £500 into an account that pays 3% simple interest per year. He leaves it there for 2 years.

Work out how much is in the account at the end of the 2 years.

(2 marks)

$$3\% \text{ of } 500 = 15$$

$$2 \times 15 = 30$$

$$500 + 30 = 530$$

£530

- 2 Priya invests £850 for 4 years. The account pays 2% simple interest per year.

Work out the total interest she gets.

(2 marks)

$$2\% \text{ of } 850 = 17$$

$$4 \times 17 = 68$$

£68

- 3 Rashid invests £3500 for 6 years at 1.8% simple interest per year.

Work out the total amount in his account at the end of the 6 years.

(3 marks)

$$3500 \times 0.018 = 63$$

$$6 \times 63 = 378$$

$$3500 + 378 = 3878$$

£3878

- 4 Lena invests £2000 at 4% simple interest per year. She earns a total of £320 in interest.

For how many years did she invest the money?

(3 marks)

$$4\% \text{ of } 2000 = 80$$

$$320 \div 80 = 4$$

4 years

5

Joel invests some money for 3 years at 2.5% simple interest per year. He earns £90 in interest.

How much did he invest?

(3 marks)

$$3 \times 2.5\% = 7.5\%$$

$$7.5\% = 90$$

$$1\% = 90 \div 7.5 = 12$$

$$100\% = 12 \times 100 = 1200$$

£1200

6

Hannah puts £2400 into a savings account.

The account pays 3% simple interest each year.

Work out the total amount of interest Hannah gets after 3 years.

(2 marks)

Interest for one year

$$3\% \text{ of } 2400 = 0.03 \times 2400 = 72 \text{ pounds}$$

Simple interest is the same each year, so over 3 years it is $3 \times$

$$72 = 216 \text{ pounds}$$

£216

7

Amir invests £4000 for 5 years in an account that pays simple interest. At the end of the 5 years he has £4600.

Work out the annual rate of simple interest.

(3 marks)

$$4600 - 4000 = 600$$

$$600 \div 5 = 120$$

$$\frac{120}{4000} \times 100 = 3$$

3% per year

8

Zainab has £5000 to invest.

Account A pays 2.4% simple interest per year for 3 years.

Account B pays 2% simple interest per year for 4 years.

Which account gives more interest, and by how much?

(4 marks)

Account A

$$5000 \times 0.024 = 120$$

$$3 \times 120 = 360$$

Account B

$$5000 \times 0.02 = 100$$

$$4 \times 100 = 400$$

$$400 - 360 = 40$$

Account B, by £40

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Mrs Okafor splits £10 000 between two accounts for 2 years. She puts £6000 in an account paying 3% simple interest per year and the rest in an account paying 2.5% simple interest per year.

Work out the total interest she earns in the 2 years.

(4 marks)

$$10\ 000 - 6000 = 4000$$

$$6000 \times 0.03 = 180$$

$$4000 \times 0.025 = 100$$

$$180 + 100 = 280 \text{ per year}$$

$$2 \times 280 = 560$$

£560

10

Priya invests £1500 in a savings account for 4 years.

The account pays simple interest at a rate of $R\%$ per year.

At the end of 4 years, Priya has received a total of £180 in interest.

Work out the value of R .

(3 marks)

Interest received each year

$$180 / 4 = 45 \text{ pounds}$$

$$45 \text{ as a percentage of } 1500 \text{ is } 45 / 1500 = 0.03$$

$$0.03 = 3\%, \text{ so } R = 3$$

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