

INTEREST AND DEPRECIATION – PRACTICE QUESTIONS



1.
Amy invested £200 into a bank account with 10% **simple** interest per year.
How much money will she have in her account after 2 years?

2.
Bobby invested £300 into a bank account with 5% simple interest per year.
How much money will he have in his account after 3 years?

3.
Carly invested £2,000 into a bank account with 3% simple interest per annum.
How much money will she have in her account after 4 years?

4.
Dwayne invested £3,500 into a bank account with 7% simple interest per annum.
How much money will he have in his account after 5 years?

5.
Edwina invested £300 into a bank account with 5% **compound** interest per annum.
How much money will she have in her account after 2 years?

6.
Francis invested £900 into a bank account with 3% compound interest per annum.
How much money will he have in his account after 3 years?

7.
Gareth invested £1,200 into a bank account with 7% compound interest per annum.
How much money will he have in his account after 4 years?

8.
Harvey invested £11,000 into a bank account with 2.5% compound interest per annum.
How much money will he have in his account after 6 years?

9.
Irene invested £2,250 into a bank account with 0.5% compound interest per annum.
How much money will she have in her account after 5 years?

10.

Jack invested £600 into a bank account with 4% simple interest per annum.
How much money will he have in his account after 3 years?

11.

Kay invested £1,400 into a bank account with 3% compound interest per annum.
How much money will she have in her account after 5 years?

12.

Leighton invested £15,000 into a bank account with 0.5% compound interest per annum.
How much money will he have in his account after 8 years?

13.

Marcus invested £6,600 into a bank account with 1.5% simple interest per annum.
How much money will he have in his account after 6 years?

14.

Naomi bought a car for £1,200.

The car depreciates at a rate of 20% per annum.

How much will the car be worth after 2 years?

15.

Ola bought a car for £4,500.

The car depreciates at a rate of 23% per annum.

How much will the car be worth after 3 years?

16.

Percy bought a motorbike for £990.

The motorbike depreciates at a rate of 14% per annum.

How much will the motorbike be worth after 5 years?

17.

Quinton bought a bicycle for £400.

The bicycle depreciates at a rate of 9% per month.

How much will the bicycle be worth after a year?

18.

A company bought a machine for £25,000.

The machine depreciates at a rate of 31% per annum.

How much will the machine be worth after 4 years?

19.
Roberta invested £3,600 into a bank account with 3.5% compound interest per annum.
After n years, there was £4,131.08 in her account.
Find n .

20.
Robin bought a bicycle for £260.
Each month, the bicycle depreciates by 0.5%.
After how many months was Robin's bicycle worth £241.17?

21.
Shawna invested £2,750 into a bank account with 4% compound interest per annum.
After how many years will she have more than £3,000 in her account?

22.
Tamara bought a car for £1,500.
The car depreciates at a rate of 15% per annum.
After how many years will Tamara's car be worth less than £800?

23.

Val bought a motorbike for £850.

The motorbike depreciates at a rate of 21% per annum.

After how many years will the motorbike be worth less than £350?

24.

Felicity was given £800 for her 18th birthday.

She wants to invest it in a bank account with 5.5% compound interest per annum.

She is saving for a new car which costs £1,000.

After how many full years will Felicity have enough money to buy the car?

25.

Kevin bought a car for £2,400.

The car depreciates at a rate of 27% per annum.

After how many years will the car be worth less than half of its original price?

26.

Henry invested £400 in a bank account with 12.5% compound interest per annum.

After how many full years will Henry have doubled his money?

27.

Fred bought a motorbike for £3,200.

The motorbike depreciates at a rate of 18% per annum.

After how many years will the motorbike be worth less than 25% of its original price?

28.

Harry bought a car which depreciates at a rate of 22% per annum.

After how many years is Harry's car worth less than 40% of its original price?

29.

Luke wants to invest £5,000 in a savings account for 3 years.

He considers two different banks.

<p>The Community Bank</p> <p>4% simple interest per annum</p>	<p>BestBank</p> <p>3.9% compound interest per annum</p>
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Which bank should Luke invest in to make the most money?

30.

Martine wants to invest £9,500 in a savings account for 4 years.
She considers two different banks.

SuperSaver	Bristol Bank
3% simple interest per annum	2.5% compound interest per annum for first 2 years 3.5% compound interest per annum each additional year

Which bank should Martine invest in to make the most money?

31.

Noah wants to invest in a savings account for 3 years.
He considers two different banks.

Smart Bank	Investi
0.25% compound interest per month	3% compound interest per annum for first 2 years 3.25% compound interest per annum for each additional year

Which bank should Noah invest in to make the most money?