Compound interest

MATHS·SCHOOL
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Name:

State how much money you will you have, if you invest:

Give your answers to the nearest penny

a) £500 at a compound interest rate of 10%, after 3 years.

£665.50

b) £400 at a compound interest rate of 20% after 2 years.

£576

c) £600 at a compound interest rate of 12% after 3 years.

£842.96

d) £640 at a compound interest rate of 15% after 5 years.

£1287.26

e) £1200 at a compound interest rate of 8% after 7 years.

£2056.59

f) £840 at a compound interest rate of 0.5% after 8 years.

£874.19

g) I invest £600 at a 10% interest rate, how many years will it be until I have over £3500?

19 years

h) I invest £400 at a 6% interest rate, how many years will it be until I have over £2000?

28 years

State the compound interest rate applied to these values, to the nearest whole number:

a) £800 rising to £882 over a period of 2 years.

5%

b) £1500 rising to £2040.73 over a period of 4 years.

8%

c) £3000 rising to £3573.05 over a period of 3 years.

6%

How much, to the nearest penny, will a car be worth if:

a) It was originally worth £40,000 and it depreciates at a rate of 10% per year, for 4 years.

£26244

b) It was originally worth £28,000 and it depreciates at a rate of 7% per year, for 3 years.

£22522.00

c) It was originally worth £21,000 and it depreciates at a rate of 5% per year, for 3 years.

£18004.88

Exam style question:
Sal buys a car for £25,000 and the value of the car depreciates by 7% every year. What is the value of Sal's car after four years?

£18701.30