

GCSE Maths: Simple interest (Higher): answers

GCSE Maths - Percentages - Higher - Lesson 5.7

Answers. Final answers to the worksheet questions. Full step-by-step solutions for every question are free at websink.site/gcse/maths/ch05-percentages/higher/simple-interest/

Exercise 5L Simple interest Non-calculator

1 Work out the simple interest earned in each case.

- (a) £400 at 3% p.a. for 2 years

Answer: £24

- (b) £2,000 at 2% p.a. for 5 years

Answer: £200

- (c) £650 at 10% p.a. for 3 years

Answer: £195

- (d) £1,200 at 1.5% p.a. for 4 years

Answer: £72

- (e) £5,000 at 4% p.a. for 3 years

Answer: £600

- (f) £840 at 5% p.a. for 2 years

Answer: £84

2 Work out the total amount in the account at the end of the time.

- (a) £1,500 at 3% p.a. for 4 years

Answer: £1,680

- (b) £800 at 2.5% p.a. for 3 years

Answer: £860

- (c) £3,000 at 4% p.a. for 5 years

Answer: £3,600

3 Zara puts £2,000 in a savings account at 3% simple interest per year. How much is in the account after 2 years?

Answer: £2,120

4 Mo pays £36 simple interest each year on a loan. The rate of interest is 6% per year. How much did Mo borrow?

Answer: £600

5 Ben borrows £2,400 for 6 months. The loan has simple interest of 5% per year. How much interest does Ben pay?

Answer: £60

- 6** Dev borrows £600 and pays 8% simple interest per year for 2 years. How much does he pay back in total?

Answer: £696

- 7** Bank A pays 3% simple interest per year on £2,000 for 4 years. Bank B pays 4% simple interest per year on £1,500 for 5 years. Which bank pays more interest, and how much more?

Answer: Bank B, by £60

- 8** Nia invests £1,600. She earns £192 simple interest in 3 years. Work out the yearly rate of interest.

Answer: 4%

- 9** How many years will it take £2,500 to earn £500 at 4% simple interest per year?

Answer: 5 years

- 10** Fred says, "With simple interest, the interest you earn in year 2 is bigger than the interest in year 1." Is he right? Use £1,000 at 5% per year to explain.

Answer: No. It is £50 each year

- 11** Sumi invests some money at 1.5% simple interest per year. After 4 years she has earned £72 interest. How much did she invest?

Answer: £1,200

- 12** Work out the simple interest on £5,000 at 4.2% per year for 30 months.

Answer: £525

- 13** Show that 6% simple interest for 5 years gives the same interest as 5% simple interest for 6 years on the same principal.

Answer: Both are 30% of the principal