

# Outcome 1 - Simple Interest

## Bronze examples

**Example...**  
 Amount Spent = £1970  
 Balance after 1 year = £2085  
 Interest charged for 1 year = £?  
 $2085 - 1970 = £115$

Amount Spent = £3956.28  
 Balance after 1 year = £4251.74  
 Interest charged for 1 year = £?  
 $4251.74 - 3956.28 = £295.46$

## Silver examples

**Example...**  
 Amount Spent = £3560  
 Balance after 1 year = £3724  
 Interest charged for 1 month = £?  
 $3724 - 3560 = 164$   
 $164 \div 12 = 13.6666...$   
 Answer = £13.67

Amount Spent = £6034.56  
 Balance after 1 year = £6412.73  
 Interest charged for 1 month = £?  
 $6412.73 - 6034.56 = 378.17$   
 $378.17 \div 12 = 31.51416...$   
 Answer = £31.51

## Gold examples

**Examples... \*\*Find 1% first!\*\***

A savings account will pay 5.2% interest p.a. How much interest will savings of £900 earn per year?  
 $900 \div 100 \times 5.2 = £46.80$

A credit card will charge 14.6% A.P.R. How much interest will it charge on a balance of £5000 per year?  
 $5000 \div 100 \times 14.6 = £730$

## Bronze Questions

For the following, calculate the interest after 1 year...

- 1 Amount Spent = £687  
Balance after 1 year = £731  
Interest charged for 1 year = ?
- 2 Amount Spent = £358.90  
Balance after 1 year = £372.85  
Interest charged for 1 year = ?
- 3 Amount Spent = £1640  
Balance after 1 year = £1785  
Interest charged for 1 year = ?
- 4 Amount Spent = £6358.10  
Balance after 1 year = £6673.05  
Interest charged for 1 year = ?
- 5 Amount Spent = £8932.54  
Balance after 1 year = £9146.97  
Interest charged for 1 year = ?

## Silver Questions

For the following, calculate the interest after 1 month...

- 1 Amount Spent = £643  
Balance after 1 year = £679  
Interest charged for 1 month = ?
- 2 Amount Spent = £389.50  
Balance after 1 year = £421.47  
Interest charged for 1 month = ?
- 3 Amount Spent = £1400  
Balance after 1 year = £1570  
Interest charged for 1 month = ?
- 4 Amount Spent = £3875.20  
Balance after 1 year = £4063.87  
Interest charged for 1 month = ?
- 5 Amount Spent = £8467.28  
Balance after 1 year = £8739.72  
Interest charged for 1 month = ?

## Gold Questions

Calculate the interest on...

- 1 Interest Rate = 2% p.a.  
Calculate the interest on £400 after 1 year.
- 2 Interest Rate = 7% p.a.  
Calculate the interest on £700 after 1 year.
- 3 Interest Rate = 3.6% p.a.  
Calculate the interest on £1400 after 1 year.
- 4 Interest Rate = 5.4% p.a.  
Calculate interest the on £8200 after 1 year.
- 5 Interest Rate = 6.1% p.a.  
Calculate the interest on £3000 after 1 year.
- 6 A.P.R. = 27%  
Calculate the interest on £9000 after 1 year.
- 7 A.P.R. = 18.2%  
Calculate the interest on £12 000 after 1 year.
- 8 A.P.R. = 23.7%  
Calculate the interest on £6500 after 1 year.
- 9 A.P.R. = 25.6%  
Calculate the interest on £11 000 after 1 year.
- 10 A.P.R. = 33.2%  
Calculate the interest on £8000 after 1 year.

## Bronze Answers

- |            |            |
|------------|------------|
| 1. £44     | 2. £13.95  |
| 3. £145    | 4. £314.95 |
| 5. £214.43 |            |

## Silver Answers

- |           |           |
|-----------|-----------|
| 1. £3     | 2. £2.66  |
| 3. £14.17 | 4. £15.72 |
| 5. £22.70 |           |

## Gold Answers

- |           |             |
|-----------|-------------|
| 1. £8     | 2. £49      |
| 3. £50.40 | 4. £442.80  |
| 5. £183   | 6. £2430    |
| 7. £2184  | 8. £1540.50 |
| 9. £2816  | 10. £2656   |