

# SIMPLE INTEREST

Task 1 – Calculate the simple interest on:

- 1) £500 at 4% per year for 3 years
- 2) £1,200 at 5% per year for 2 years
- 3) £800 at 3.5% per year for 4 years
- 4) £2,000 at 6% per year for 5 years
- 5) £350 at 2% per year for 10 years

Task 2 – Calculate the final amount earned when simple interest is paid on:

- 6) £900 at 4% per year for 3 years
- 7) £1,500 at 5% per year for 2 years
- 8) £2,400 at 6% per year for 1 year
- 9) £1,000 at 7.5% per year for 4 years
- 10) £2,800 at 2.5% per year for 5 years

Task 3

- 11) Sophie invests £2,000 in a savings account paying 4% simple interest per year. How much interest does she earn after 3 years, and what is the total amount in her account?
- 12) A car loan of £6,000 is taken out at 5% simple interest per year. How much interest is paid over 4 years? What is the total repayment amount?
- 13) Ben borrows £1,200 from a friend. He agrees to pay 3% simple interest per year. If he takes 5 years to pay it back, how much interest will he pay in total?
- 14) £800 is invested in a bank at 2.5% simple interest per year for 6 years. Calculate the interest earned and the ending total balance. A school saves £5,000 to buy new computers. They place it in an account earning 2% simple interest per year for 2 years before spending it. If each computer costs £400, how many can the school buy?

- 15) A shop takes a £4,000 business loan at 6% simple interest per year. If the loan is repaid after 18 months, how much interest is paid?
- 16) James invests £3,500 at 4% simple interest for 4 years. He spends half of the interest earned on a holiday. How much money does he spend on the holiday?
- 17) Ella borrows £2,500 from the bank at 5% simple interest per year for 3 years. Ella will pay £500 each year towards the loan. At the end of the 3 years, she will repay the remaining balance in full. What is the remaining balance?
- 18) A charity receives a £10,000 donation and invests it at 2% simple interest per year for 4 years before spending it. They spend 60% of the total final amount on a community event. How much money is spent on the event?