1. Toby invested £4500 for 2 years in a savings account.
He was paid 4% per annum compound interest.

How much did Toby have in his savings account after 2 years?

£ .....

(Total 3 marks)

2. The value of a car depreciates by 35% each year.

At the end of 2007 the value of the car was £5460

Work out the value of the car at the end of 2006

£ .....

(Total 3 marks)

3. Mario invests £2000 for 3 years at 5% per annum **compound** interest.

Calculate the value of the investment at the end of 3 years.

£…….

(Total 3 marks)

4. Derek invests £154 500 for 2 years at 4% per year compound interest.

Work out the value of the investment at the end of 2 years.

£.....

(3)

(Total 3 marks)

5. Henry invests £4500 at a compound interest rate of 5% per annum.

At the end of *n* complete years the investment has grown to £5469.78.

Find the value of *n*.

.....

(Total 2 marks)

6. A company bought a van that had a value of £12 000
Each year the value of the van depreciates by 25%.

Work out the value of the van at the end of three years.

£ .....

(3)

(Total 3 marks)

7. Bill invests £500 on 1st January 2004 at a compound interest rate of R% per annum.
The value, £V, of this investment after n years is given by the formula

$$V = 500 \times (1.045)^n$$

(a) Write down the value of R.

R = ……

(1)

(b) Use your calculator to find the value of Bill's investment after 20 years.

£……..

(2)

(Total 3 marks)

8. Gwen bought a new car.
Each year, the value of her car depreciated by 9%.

Calculate the number of years after which the value of her car was 47% of its value when new.

.....

(Total 3 marks)

9. Liam invests £6200 for 3 years in a savings account.
He gets 2.5% per annum compound interest.

How much money will Liam have in his savings account at the end of 3 years?

£ .....

(Total 3 marks)

10. Toby invested £4500 for 2 years in a savings account.
He was paid 4% per annum compound interest.

(a) How much did Toby have in his savings account after 2 years?

£ .....

(3)

Jaspir invested £2400 for n years in a savings account.
He was paid 7.5% per annum compound interest.

At the end of the n years he had £3445.51 in the savings account.

(b) Work out the value of n.

.....

(2)

(Total 5 marks)

***11** Viv wants to invest £2000 for 2 years in the same bank.

The International Bank	**The Friendly Bank**
Compound Interest	Compound Interest
4% for the first year 1% for each extra year	5% for the first year 0.5% for each extra year

At the end of 2 years, Viv wants to have as much money as possible.

Which bank should she invest her £2000 in?

(Total 4 marks)