

Name: _____

Date: _____

Formula

$$SI = \frac{P \times R \times T}{100}$$

SI = Simple Interest

P = Principle amount (\$ money borrowed or invested)

R = Rate (%)

T = Time (in years)

Simple Interest BJC Practice

Answer the questions below.

(Answers should look like \$1,000.00)

1. Paula deposited \$1200 in a savings account for one year at 6% simple interest per annum.

(a) Calculate the interest after 1 year.

Answer = _____

(b) Calculate the amount in her account after 1 year.

Answer = _____

2. Mrs. Rolle purchases a car which costs \$10,000. She pays a deposit of \$2,000. She borrows the rest from the bank at a simple interest rate of 12% per annum for 3 years.

(a) i. How much money does she borrow from the bank?

Answer = _____

ii. Calculate the simple interest on the principle.

Answer = _____

(b) How much does she pay the bank altogether?

Answer = _____

3. Daniel borrowed \$5000 from the bank for 2 years at 9% simple interest per annum. Calculate.

(a) how much interest Daniel is charged?

Answer = _____

(b) the total amount he must repay to the bank.

Answer = _____