

# Compound Interest

- Q1. (a) Corey invested \$5000 at 5% p.a. compound interest. How much would he have 4 years later?
- (b) How much would he have after 15 years?
- (c) Derin borrowed \$150 000 to buy some shares. She paid 11% p.a. compound interest. How much would she have to pay if he paid it back 6 years later?
- (d) Naomi put \$100 in an account earning 12% p.a. compound interest when she was 18. She forgot about it until the bank contacted her when she was 84. How much would she have in the account then?



- (e) Cameron borrows \$15 000 for 4 years at 7.7% compound interest. How much did he have to pay back?
- Q2. (a) Sam wants to invest some money now so he has \$2000 in 6 years time. If he can get 5% compound interest, how much does he need to invest?
- (b) Nick deposited some money in the bank. It accumulated compound interest at 4.75% for 12 years. At the end of the 12 years, he found he had \$624.29 in his account. How much did he deposit?
- Q3. (a) Samheetha invested \$1200 at 6% interest compounding monthly. How much would she have in the account after 2 years?
- (b) Blurgle invested \$6000 at 7.2% p.a. compounding quarterly. He left it there for 18 months. How much did he have then?
- (c) Kayla has the choice of investing his \$2000 at 7.4% compounding annually, 7.3% compounding monthly or 8.5% simple interest. If it is to be invested for 5 years, work out how much she would end up with each way.
- Q4. (a) Harry inherited some money from his grandmother. He put it in the bank where he got 5.1% p.a. interest compounding daily. After 3 years 135 days he had \$41 296 in the account. How much did he inherit?
- (b) On 1 March 2012, Lauryn needed to put some money in the bank so that she has \$18 000 on 1 December 2015. If the bank paid 4.2% p.a. compounding month, how much did she need to invest?