

Simple Interest Problems

Name: _____ Score: _____

Solve the following simple interest problems and show your workings.

1. John put 14,000 Euros in an account at a simple interest rate of 1% per year . How much interest will he get after 12 years ?



2. Maria borrowed 3,000 dollars at a simple interest rate of 4% per year. How much did she have to repay if he repaid the loan after 4 years?
3. Jack deposited 3,900 dollars in an account that pays him 6% simple interest p.a. What will be the total balance of his account after 3 years?
4. Mark paid \$4,800 to repay a loan given to him at a 4% simple interest rate for 5 years. How much money did he borrow initially?
5. If you put \$1,500 in an account at an annual simple interest rate of 12%, how long will it take your balance to grow to \$2,400?
6. Maria deposited \$2,000 in her account. After 10 years her account balance was \$4,200. What was the simple interest rate of her account?

Answers

Solve the following simple interest problems and show your workings.

1. John put 14,000 Euros in an account at a simple interest rate of 1% per year . How much interest will he get after 12 years ?

$$14,000 \times 0.01 \times 12 = 1,680 \text{ Euros}$$



2. Maria borrowed 3,000 dollars at a simple interest rate of 4% per year. How much did she have to repay if he repaid the loan after 4 years?

$$3,000 + (3,000 \times 0.04 \times 4) = 3,480 \text{ dollars}$$

3. Jack deposited 3,900 dollars in an account that pays him 6% simple interest p.a. What will be the total balance of his account after 3 years?

$$3,900 + (3,900 \times 0.06 \times 3) = 4,602 \text{ dollars}$$

4. Mark paid \$4,800 to repay a loan given to him at a 4% simple interest rate for 5 years. How much money did he borrow initially?

$$P + (P \times 0.04 \times 5) = 4,800 \quad 1.2P = 4,800 \quad \text{Principal} = \$4,000$$

5. If you put \$1,500 in an account at an annual simple interest rate of 12%, how long will it take your balance to grow to \$2,100?

$$1,500 + (1,500 \times 0.12 \times Y) = 2,100 \text{ leads to } 180Y = 600, Y = 4 \text{ years}$$

6. Maria deposited \$2,000 in her account. After 10 years her account balance was \$4,200. What was the simple interest rate of her account?

$$2,000 + (2,000 \times i \times 10) = 4,200 \text{ leads to } 20,000i = 2,200, i = 11\%$$