Key

Name: _____

11/8/04

Simple Interest Worksheet - Part 2

1. What is the interest earned on $350.00 invested 4 years at a 5% simple interest?

$I = Prt$

$350 \times 0.05 \times 4 = \$70$.

2. If I put $1500 into my savings account and earned $180.00 of interest at 4% simple interest, how long was my money in the bank?

$t = \frac{I}{(Pr)} = \frac{180}{(1500 \times 0.04)} = 3$ years.

3. What would my final balance be if I put $650 in the bank for 60 months with an interest rate of 6%?

$650 \times 0.06 \times (60/12) = \$195 + 650 = \$845$

P r t I P Final Balance

4. David invested $1000.00. What would that money grow to in 18 months at a 5.5% interest rate?

$1000.00 \times 0.055 \times (18/12) = \$82.50$ interest

$+ 1000$

$\$1082.50$ in account.

5. My final balance after 48 months was $896.00. If I originally put $800.00 into the bank, what was the interest rate?

$896 - 800 = \$96$ of interest.

$r = \frac{I}{(Pt)} \times 100 = \frac{96}{(800 \times (48/12))} \times 100 = 3.00\%$ int rate.

6. How long would it take me to earn $139.50 of interest at a 6% interest rate if I started with $930.00?

$t = \frac{I}{(Pr)} = \frac{139.50}{(930.00 \times 0.06)} = 2.5$ years.