Savings and Interest

1. The Royal Bank of Scone has an interest rate of 4% p.a. (per annum).

   How much interest would you receive on the following amounts
   of money at the end of 1 year ?

   (a)   £600   (b)   £1400   (c)   £480   (d)   £80.50

2. Pegasys Building Society has **three** different savings schemes.
   Each scheme has its own interest rate and a particular rule for withdrawing your money.

   > **Super Saver Scheme** : **Interest 5% p.a. - monthly withdrawals allowed.**
   >
   > **Bumper Savings Scheme** : **Interest 6% p.a. - 3 months notice of withdrawal.**
   >
   > **Flexible Savings** : Interest 3% p.a. - no notice of withdrawal

   (a)   How much interest would you receive in a year on :-

   (i)   Savings of £750 in the "Bumper Scheme" ?
   (ii) Savings of £2340 in the "FlexibleScheme" ?
   (iii) Savings of £320 in the "Super Saver Scheme" ?
   (iv) Savings of £8160 in the "Flexible Scheme" ?

   (b)   John wants to split his savings of £1200 .
   He decides to put half in the "Super Saver Scheme" and half in "Flexible Savings.
   Calculate the total interest he will receive in a year from his two accounts.

3. Calculate the interest on :

   (a)   £960 at 7% p.a. for 6 months.   (b)   £1356 at 5% p.a. for 4 months.
   (c)   £440 at 3% p.a. for 2 months.   (d)   £972 at 9% p.a. for 9 months.
   (e)   £3450 at 2% p.a. for 1 month.   (f)   £576 at $2\frac{1}{2}$% p.a. for 7 months.

4. Mr White invests £3200 at 6% p.a.
   Five months later he decides to draw out his interest to help pay for
   a new camera. How much does he draw out ?

5. Miss Gray invests £1500 at 8% p.a.
   Eight months later she decides to lift out her interest to help pay for
   a night out. How much will she draw out ?

Savings & Interest (answers)

1. a)   £24   b)   £56   c)   £19.20   d)   £3.22

2. a) i) £45   ii) £70.20   iii) £16   iv) £244.80   b)   £48

3. a) £33.60   b) £22.60   c) £2.20   d) £65.61   e) £5.75   f) £8.40

4.   £80

5.   £80