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| Year  10 | | Compound Interest and Consumer Maths Practice Test | | Calculator Section |
| Short Answer Section | Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |
|  | Write all working and answers in the spaces provided on this Practice Test paper. | | | |
| 1. | Danni buys the car advertised on terms over 4 years.  **New Arresta Hatchback**  Cash Price $ 35 000  Or  Pay $4 000 deposit and $240 per week for 4 years  How much more does it cost her than if she had paid cash for the car?  ..........................................................................................................................................................    .......................................................................................................................................................... | | | |
| 2. | A principal of $45 000 is invested at 5% pa interest compounded annually. Find the value of the investment after 4 years.  ..........................................................................................................................................................    .......................................................................................................................................................... | | | |
| 3. | Karen buys a lounge on terms over 3 years and pays a total of $3 100. If the cash price of the lounge was $2 500, what rate of simple interest did she pay, per annum?  ..........................................................................................................................................................    .......................................................................................................................................................... | | | |
| 4. | Layla borrows $24 000 from her father to buy a car and repays the full amount plus interest after 2 years. If the interest is charged at 4% pa, compounded quarterly, how much does she need to repay?  ..........................................................................................................................................................    .......................................................................................................................................................... | | | |
| 5. | Henri has $30 000 invested in a term deposit for 3 years. The interest rate is 8% pa compounded half yearly. How much interest will Henri be paid at the end of the 3 years?    ..........................................................................................................................................................    .......................................................................................................................................................... | | | |
| 6. | Marco deposits $3 500 into a savings account on the 1st January. The account earns interest at the rate of 9% pa compounding monthly. If he makes no deposits or withdrawals for 6 months, how much will be in his account on the 1st July?  ..........................................................................................................................................................    .......................................................................................................................................................... | | | |
| 7. | Angela bought a new car for $34 000 four years ago. If the car depreciates at 8% pa compounding annually, what is the value of the car today?  ..........................................................................................................................................................    .......................................................................................................................................................... | | | |
| 8. | Franz has $3 000 to invest for 2 years. He visits the two local banks. The River Bank offers a rate of 9% pa compounded monthly and the Stream Bank offers 9.1% pa compounded half yearly. Which investment would earn him the most interest in 2 years?  ..........................................................................................................................................................    .......................................................................................................................................................... | | | |

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| Year  10 | | Compound Interest and Consumer Maths Practice Test | | Calculator |
| Multiple Choice Section | Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |
|  | Mark all your answers on the accompanying multiple choice answer sheet, not on this Practice Test paper. You may do any working out on this Practice Test paper. Calculators are allowed for this section. | | | |
| 1. | A man buys a car priced at $5000 by paying a 10% deposit and then 52 weekly payments of $95. How much does he pay for the car, altogether?  A $5 000 B $5 500 C $5 440 D $5 450 | | | |
| 2. | A microwave oven is advertised as shown.  Cash Price $450  or  $45 deposit and $40 per  month for 12 months  How much extra is paid by paying it off over 12 months, compared to the cash price?  A. $30 B. $75 C. $480 D. $525 | | | |
| 3. | Marcie’s car loan repayments increased from $96.00 to $120.00 per fortnight.  How much extra will Marcie repay each year?  A. $288.00 B $600.00 C $624.00 D. $1 248.00 | | | |
| 4. | Kelly pays off a loan of $1 500 with repayments of $105.00 per month over 2 years. How much does she pay in total in interest?  A. $240.00 B. $1 020.00 C. $1 230.00 D. $3 960.00 . | | | |
| 5. | An artist is paid a royalty of 4% on sales of his prints. What does he earn in a week where sales of prints total $13 000.  A. $52.00 B $104.00. C. $520.00 D. $1400.00 | | | |
| 6. | Ursula invests $20 000 at 5% p.a. interest, compounding annually. What is her investment worth at the end of 3 years?    A. $2315.25 B. $2 300.00 C. $21 00.00 D. $315.25 | | | |
| 7. | Fernando borrows $2 500 at 8% p.a. interest, compounding quarterly. What does he owe at the end of 1 year if he has made no repayments?    A. $2706 B. $2704 C. $2700 D. $706 | | | |
| 8. | Which calculation would you use to find the interest on $5 000 invested at 6% p.a. interest compounding monthly for a year.  A.  B.  C.  D. | | | |

Compound Interest and Consumer Maths Practice Test

Multiple Choice Section

Answer Sheet

Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Completely fill the response oval representing the most correct answer.

1. A B C D

2. A B C D

3. A B C D

4. A B C D

5. A B C D

6. A B C D

7. A B C D

8. A B C D