FUNCTIONAL SKILLS MATHEMATICS

AQA | Edexcel | City & Guilds | Open Awards | NCFE | Highfield

Level 1

Interest

Materials

- You **cannot** use a calculator for **questions** with this symbol.

Instructions

- Answer **all** questions.
- Answer questions on separate paper.

Information and Advice

- The marks for each question are shown in brackets – use this as a guide on how long to spend on each question.
- Read each question carefully before you answer it.
- Check you answers.

Q1 Add 5% interest to these amounts.

1(a) £100

[2 marks]

1(b) £1000

[2 marks]

1(c) £20

[2 marks]

1(d) £34

[2 marks]

1(e) £1.60

[2 marks]

1(f) £224

[2 marks]

1(g) £108

[2 marks]

1(h) £48.40

[2 marks]

1(i) £50

[2 marks]

1(j) £665.80

[2 marks]

20

Q2 Alice has multiple options for a savings account at a bank.
A – 15% interest
B – 10% interest
C – 5% interest
She intends to put £8000 into the savings account,

2(a) How much interest will she get from account A? What will be her total balance once interest is applied?

[2 marks]

2(b) How much interest will she get from account B? What will be her total balance once interest is applied?

[2 marks]

2(c) How much interest will she get from account C? What will be her total balance once interest is applied?

[2 marks]

Q3 Increase these amounts by the specified interest.

3(a) 10% interest on £100

[2 marks]

3(b) 5% interest on £15000

[2 marks]

3(c) 15% interest on £50

[2 marks]

3(d) 20% interest on £350

[2 marks]

3(e) 30% interest on £31

[2 marks]

3(f) 50% interest on £116

[2 marks]

3(g) 40% interest on £25.50

[2 marks]

3(h) 25% interest on £16384

[2 marks]

3(i) 110% interest on £65

[2 marks]

3(j) 60% interest on £998.50

[2 marks]

20

Q4 Alice is looking at savings accounts offered by different banks. These have a maximum amount that can be placed into them, which Alice intends to do in all cases.
A – 15% interest, maximum £1000
B – 10% interest, maximum £4000
C – 20% interest, maximum £750
D – 5% interest, maximum £10000

4(a) How much interest will Alice earn in account A? What will her total balance be after interest?

[2 marks]

4(b) How much interest will Alice earn in account B? What will her total balance be after interest?

[2 marks]

4(c) How much interest will Alice earn in account C? What will her total balance be after interest?

[2 marks]

4(d) How much interest will Alice earn in account D? What will her total balance be after interest?

[2 marks]

Q5 In each of the following, determine the total amount of money after interest has been added for A, B and C, and state which one has the highest total amount after interest has been added.

5(a) A – 5% interest on £10000
B – 10% interest on £9900
C – 25% interest on £9810

[4 marks]

5(b) A – 20% interest on £15000
B – 10% interest on £18000
C – 15% interest on £13000

[4 marks]

5(c) A – 30% interest on £100
B – 10% interest on £130
C – 25% interest on £115

[4 marks]

5(d) A – 35% interest on £199
B – 20% interest on £249
C – 45% interest on £149

[4 marks]

5(e) A – 25% interest on £10.40
B – 55% interest on £10
C – 15% interest on £11

[4 marks]

20

Q6 Alice, Bob and Chloe have these amounts of money in a bank account with these interest rates:
Alice - £15000 at 10%
Bob - £9000 at 15%
Chloe - £10000 at 25%

6(a) How much interest does Alice earn? What is her total balance after interest?

[2 marks]

6(b) How much interest does Bob earn? What is his total balance after interest?

[2 marks]

6(c) How much interest does Chloe earn? What is her total balance after interest?

[2 marks]

6(d) Who earns the most interest? Who has the most money at the end?

[1 mark]

Q7 Tony has £15000 to invest in an account. He looks at a number of options:
A – Flat rate of 5% interest per year.
B – 15% interest per year but a limit of £14500 invested.
C – £450 signing up bonus paid into the account then 10% interest per year.
Calculate which account leaves Tony with the most money after one year.

[4 marks]