



## New Maths GCSE: R9 - Simple Interest


Name: .....

Date: .....

**Simple Interest**  
 $i = PrT$

The formula for Simple Interest calculates...

- A** The amount of money in the savings account at the end of the time period.
- B** The amount of money earned (or owed) over the time period.
- C** The total amount of money you must pay back to the bank at the end of the time period.
- D** The amount of money the bank pays you, (or you pay the bank), every year.



Correct Answer: A B C D

Explanation:

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**Simple Interest**  
 $i = PrT$

**P** represents...

- A** The amount of money borrowed or invested.
- B** The amount of money earned by the bank or by the investor.
- C** The period of time for which the money is borrowed or invested.
- D** The interest rate expressed as a percentage.



Correct Answer: A B C D

Explanation:

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**Simple Interest**  
 $i = PrT$

**T** represents...

- A** The amount of money borrowed or invested.
- B** The amount of money earned by the bank or by the investor.
- C** The period of time for which the money is borrowed or invested.
- D** The interest rate expressed as a percentage.



Correct Answer: A B C D

Explanation:

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Simple Interest  
 $i = PrT$

**r** represents...

- A** The amount of money borrowed or invested.
- B** The interest rate expressed as the percentage decimal.
- C** The period of time for which the money is borrowed or invested.
- D** The interest rate expressed as a percentage.



Correct Answer: A B C D

Explanation:

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Simple Interest  
 $i = PrT$

To convert the percentage interest rate to a decimal...

- A** Multiply by 100
- B** Move the decimal point 2 places to the right
- C** Move the decimal point 1 place to the left
- D** Divide by 100



Correct Answer: A B C D

Explanation:

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Simple Interest  
 $i = PrT$

To convert the percentage interest rate to a decimal...

- A** Multiply by 100
- B** Move the decimal point 2 places to the right
- C** Move the decimal point 1 place to the left
- D** Divide by 100



Correct Answer: A B C D

Explanation:

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Simple Interest  
**What do I enter into the calculator?**

I invest \$5000 for 3 years at a rate of  $2\frac{1}{2}\%$ .

- A**  $5000 \times 2.5 \times 3$
- B**  $5000 \times 0.25 \times 3$
- C**  $5000 \times 0.025 \times 3$
- D**  $5000 \times 25 \times 3$



Correct Answer: A B C D

Explanation:

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Simple Interest

What do I enter into the calculator?

I invest \$650 for 2 years at a rate of 7%.

A

$$650 \times 7 \times 2$$

B

$$650 \times 0.07 \times 24 \text{ (months)}$$

C

$$650 \times 0.07 \times 2$$

D

$$650 \times 0.7 \times 2$$



Correct Answer: A B C D

Explanation:

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