

Compound Interest and Depreciation Worksheet

1. Calculate the compound interest earned on £500 invested at an annual interest rate of 5% for 3 years, compounded yearly.
2. A car worth £12,000 depreciates at a rate of 10% per year. What will its value be after 2 years?
3. Sarah deposits £800 in a bank account that pays 4% compound interest per year. How much money will she have after 5 years? (Round your answer to the nearest pound)
4. A machine costs £3,000 and loses 15% of its value each year. What will the machine be worth after 3 years?
5. If £1,000 is invested at 6% compound interest per year, how much will it be worth after 4 years?
6. A mobile phone costing £600 depreciates by 20% each year. What is its value after 2 years?
7. Find the total amount after 2 years if £2,500 is invested at 7% compound interest per annum.
8. A laptop is bought for £1,200. It depreciates by 12% each year. What is its value at the end of 3 years?
9. £750 is placed in a savings account at 3% compound interest per year. How much will be in the account after 4 years?
10. A bicycle is bought for £400 and loses 8% of its value each year. What will its value be after 5 years?
11. Louis invests £1,500 at 5% compound interest per year. How much will he have after 3 years?
12. A tablet is purchased for £800 and depreciates at 10% per year. What is its value after 4 years?
13. £2,000 is invested at 4% compound interest per year. What will be the total amount after 6 years?
14. A TV costing £900 depreciates by 15% per year. How much is it worth after 2 years?
15. If £500 is invested at 8% compound interest per year, how much will it be worth after 5 years?

Answer Key

1. £79
2. £9,720
3. £974
4. £1,926
5. £1,262
6. £384
7. £2,863
8. £834
9. £845
10. £266
11. £236
12. £531
13. £2,526
14. £650
15. £734