Compound Interest and Depreciation

1. Find the difference between the simple interest earned and compound interest earned on $600 invested for 2 years at 12%

2. Find the compound Interest earned on the following investments

   a) $600 at 8% p.a for 4 year

   b) $1500 at 11% p.a for 3 years

   c) $2000 at 4.9% p.a for 5 year

3. To amount will $1800 grow to if invested for 5 years at 12% compound interest?

4. Find the total sum required to repay a loan of $7000 plus compound interest of 6% p.a at the end of 8 years

5. A machine was installed in a factory at a cost of $250 000. What would be the written down value of the machine after 3 years if the rate of depreciation is 10%

6. A $36 000 car depreciates 20% of its value each year. Find the written down value of the car after 3 years

7. Find the value of the goods to the nearest dollar after the indicated period

   a) Industrial saw Original value $7600 rate of depreciation 12% p.a time 3 years

   b) Furniture Original value $18 500 rate of depreciation 10% p.a time 5 years

   c) Computer Original value $1800 rate of depreciation 15% p.a time 4 years

8. Find to the nearest cent the total amount of depreciation on the following articles

   a) Watch Original value $680 rate of depreciation 7% p.a time 3 years

   b) Refrigerator Original value $1500 rate of depreciation 20% p.a time 2 years

   c) Photocopier Original value $3960 rate of depreciation 10% p.a time 5 years

9. An authors library valued at $7600 depreciates at the rate of 5% p.a. Find the written down value after 4 years and calculate the total amount of depreciation in that time.