∑ DANEMATHICS
FREE CAPS MATHS RESOURCES

GRADE 9 · WHOLE NUMBERS

Financial Maths: Interest, Hire Purchase & Exchange Rates

EXAM-STYLE CLASS TEST

MARKS	DURATION	QUESTIONS
34	55 minutes	3

Name: ..... Class: .....

Date: .....

MARK ____ / 34

INSTRUCTIONS AND INFORMATION

1. Answer **ALL** the questions in this question paper.
2. Answer QUESTION 1 by **circling** the letter (A–D) in the answer grid at the end of that section.
3. Show **ALL** calculations clearly.
4. Show all units where applicable.
5. Number the answers correctly according to the numbering system used in this question paper.
6. A non-programmable calculator may be used, unless stated otherwise.
7. Write neatly and legibly.

QUESTION 1 [10 MARKS]

Four options are given as possible answers to the following questions. Choose the correct answer and circle the letter (A–D) in the grid at the end of this section. If you want to change your choice, put a cross through the wrong letter and circle your new choice.

1.1 R8 000 is invested at 9% p.a. SIMPLE interest for 4 years. The interest is ... (1)

A) R10 880 **B)** R720
C) R2 880 **D)** R11 292,65

1.2 R8 000 at 9% p.a. COMPOUND interest for 4 years grows to ... (1)

A) R11 292,65 **B)** R10 880
C) R8 720 **D)** R2 880

1.3 Compound interest is larger than simple interest because ... (1)

A) it is calculated monthly **B)** the rate is higher
C) interest is earned ON the interest already added **D)** the period is longer

1.4 A jacket marked R850 is sold at a 20% DISCOUNT. The price paid is ... (1)

A) R170 **B)** R680
C) R830 **D)** R1 020

1.5 A shop offers hire purchase: 10% deposit on R5 000 and 12 instalments of R420. The TOTAL paid is ... (1)

A) R5 540 **B)** R5 040
C) R500 **D)** R5 000

1.6 The exchange rate is R18,50 to the US dollar. How many rand is 250 US dollars? (1)

A) R231,50 **B)** R4 625

C) R268,50 **D)** R13,51

1.7 A salesperson earns 6% commission on sales of R45 000. The commission is ... (1)

A) R270 **B)** R2 700

C) R7 500 **D)** R42 300

1.8 VAT at 15% on a price of R2 400 excluding VAT gives a total of ... (1)

A) R360 **B)** R2 415

C) R2 086,96 **D)** R2 760

1.9 Which formula gives COMPOUND interest? (1)

A) $A = P(1 - in)$ **B)** $A = P(1 + in)$

C) $A = P(1 + i)^n$ **D)** $A = P(1 - i)^n$

1.10 A budget shows income R9 500 and expenses R10 200. The household should ... (1)

A) reduce expenses by at least R700 **B)** spend more

C) borrow R9 500 **D)** save R700

ANSWER GRID — CIRCLE YOUR ANSWERS FOR QUESTION 1

1.1	A	B	C	D
1.2	A	B	C	D
1.3	A	B	C	D
1.4	A	B	C	D
1.5	A	B	C	D
1.6	A	B	C	D
1.7	A	B	C	D
1.8	A	B	C	D
1.9	A	B	C	D
1.10	A	B	C	D

QUESTION 2 [12 MARKS]

Answer the questions below. Round all money off to the nearest cent.

2.1 Calculate the simple interest on R4 000 invested at 9% per annum for 3 years. (3)

2.2 Calculate the amount when R10 000 is invested at 5% per annum compound interest for 2 years, and state how much MORE it earns than simple interest at the same rate. **(5)**

2.3 Carol invests R18 000 for 6 years at 15% per annum compounded annually. Calculate the value of her investment at the end. **(4)**

QUESTION 3 [12 MARKS]

Answer the questions below.

3.1 A television costs R9 000 cash. On hire purchase a 15% deposit is paid. Calculate the deposit and the balance owing. **(3)**

3.2 Brian wants to exchange rands for British pounds. R1 is worth 0,075199 pounds. Calculate how many pounds he receives for R2 100 BEFORE commission. **(3)**

3.3 The agent charges $1{,}5\%$ commission on the transaction. Calculate how many pounds Brian actually receives, correct to TWO decimal places. **(4)**

3.4 Explain why hire purchase costs more in total than paying cash. **(2)**

TOTAL: 34 marks

This question paper consists of 3 questions.

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