1. Two shops are offering a deal on the same mobile phone.

The details of the deals are shown here.

Shop A		Shop B	
Monthly charge:	£21	Monthly charge:	£25
Cost per text:	12p	Cost per text:	10p
Cost per text:	12p	Cost per text:	10p

Vanessa sends 100 texts each month. Which company should she use? Justify your answer by calculation.

2. Two stores are offering deals on the same washing machine.

The details of the deals are shown here.

Shop A		Shop B	
Deposit:	£100	Deposit:	Nil
24 payments of £12		30 payments of £13	



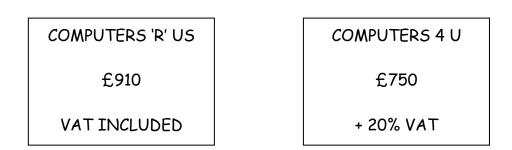
Which company is giving the best deal? Justify your answer by calculation.

3. Two shops are selling the same holiday. They are offering these for sale with different deals.

<u>Sun Holidays</u>	Holiday Sun	
Deposit £120	Deposit £170	
Six payments of £67.80	Six payments of £58.30	

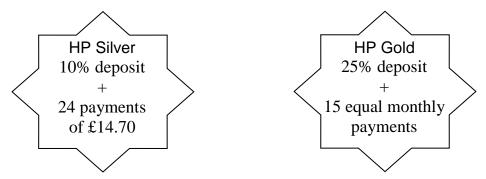
Which shop has the cheaper deal? Justify your answer by calculation.

- 4. A mail order company sells a sofa for $\pounds 469.95$. It offers Hire Purchase terms of deposit of $\pounds 69.95$ and 24 monthly payments of $\pounds 21.50$
 - Calculate (a) the total HP cost.
 - (b) how much you save by paying cash?
- 5. Siobhan saw these two adverts for the same computer package.



Which shop is offering the best deal? Give a reason for your answer.

6. A colour television set can be bought in an electrical store for a cash price of £350 or by using one of two Hire Purchase agreements:



The total HP cost for both agreements is the same.

What are the monthly instalments for HP Gold?

7. VAT is charged at 20%. How much VAT would be paid on a music system costing £99.90 before VAT?