The skills in this series of exercises appear frequently.

These are the GIFTS you must take to succeed.

Finance and Statistics Unit

Exercise 5

Credit Agreements (Calculator)

Calculate the monthly instalment for each:

1. Katie-Leigh borrows £5600 for home improvements. The interest is 5.2% of the loan amount. She decided to pay back over 12 months.

2. Leon borrows £2700 for a holiday. Interest of the loan is 6.5%. He decides to pay back over 9 months.

3. Sam decided to pay his Motherwell season ticket over 10 months. The total interest was 11.6% and the cost of the ticket was £430.

4. Rebecca uses a credit agreement to purchase a car. The total cost of the credit agreement is £12700 plus 29.9%. She opts to pay over 4 years.

5. Millie buys a photocopier for her office. The cash price is £1795. The interest added is 13.1%. She pays it over 5 years.

6. 3 piece suite: Cash Price £1300. Payment Plan Price is 10% extra. 10 equal monthly payments.

7. iPhone 16: Cash Price £750. Payment Plan Price 14% extra. Deposit £150. 6 equal monthly payments.

8. Garden Furniture: Cash Price £865. Payment Plan Price £175 extra. Deposit 20%. 8 equal monthly payments.

9. Washing Machine: Cash Price £300. Payment Plan Price 18% extra. Deposit £80. 6 equal monthly payments. Final payment £94.

10. Dishwasher: Cash Price £450. Payment Plan Price 45% extra. Deposit 15% of cash price. 10 equal monthly payments. Final payment £145.

Applying Question

John Francis' Man Cave blew away during storm Eowyn.

He is quoted a new one for an advertised price of £5250.

- The payment plan is £350 more expensive than the advertised price.
- The deposit is 20% of the advertised price.
- 26 equal monthly instalments.
- Final payment £650.

  Calculate the monthly instalment.