

## Worksheet on Simple/Compound Interest, Profit and Loss, Hire Purchase

1. Jim borrowed \$12,500 at 6% per annum compound interest. At the end of the first year, he repaid \$5 500.
  - (a) Calculate the interest on the loan for the first year.
  - (b) How much was Jim's loan balance at the beginning of the second year?
  - (c) Calculate the interest on the remaining for the second year.
  
2. Natalie paid \$5,300 for twenty watches imported from the US. In addition, she paid an import duty of 12%.
  - (a) Calculate the total cost of the watches;
  - (b) Natalie sold the 20 watches at \$450 each.
    - (i) Calculate the total profit made on the sale of the twenty watches;
    - (ii) Calculate the profit as a percentage of the cost price (inclusive of import duty), giving your answer to one decimal place.
  
3. Fred bought a computer from W-Tech Ltd. on hire purchase by making a down-payment of \$1 500 and twelve monthly payments of \$250 each.
  - (i) Calculate the total hire purchase price.

If the hire purchase price yields a profit of 20% to W-Tech Ltd, what was the cost price of the computer?

## Worksheet on Simple/Compound Interest, Profit and Loss, Hire Purchase

4. Vivek's bill at The Clothes King is shown below:

THE CLOTHES KING – CUSTOMER'S BILL			
Items	Quantity	Unit Cost	Total Cost
Shirts	A	\$65.95	\$ 263.80
Ties	3	B	C
Caps	8	\$150	\$1 200
TAX (15%)			D
TOTAL			E

- (a) What is the value of A, the number of shirts which Vivek bought?
- (b) If the price of a tie is 20% less than the price of a cap, find the values of B and C.
- (c) If a tax of 15% of the total cost price is added to Vivek's bill, what is the value of D, the amount of the tax.
- (d) Hence calculate the value of E, Vivek's total bill inclusive of the tax.