Question 1
Kat paid £1500 for a car in April 2009. In the first year, the value of the car depreciated by 10%. In the second year, the value of the car depreciated by 15%. How much can Kat sell the car for in 2011?

Question 2
Hassan is paid £17,465 a year. His personal tax allowance is £6475 for the year.
a) What is his taxable income every month?
b) If Hassan's income is taxed at 22%, how much income tax does Hassan pay in a year?

Question 3
Lorna wants to buy 4 peppers. She will not use more than 4. The prices for peppers are as follows.

Pack of 3 peppers £1.40
Special offer:
Buy one pack of 3 peppers, get a second pack half price.

One pepper 59p

What is the most cost effective option for Lorna? You must show working to support your answer.

Question 4
Leonie has £1750 to invest for 4 years and can choose between 2 different savings accounts.

Account 1: 3.7% p.a. simple interest paid out at the end of each year
Account 2: 3.4% p.a. compound interest paid at the end of the period

Which account would give Leonie more interest over the 4 year period?

Question 5
Jenny wants to buy a new TV but is £320 short. She sees an advert for a loan;

Loan	Repayment period	Monthly repayment
£320	8 months	£46.72

If Jenny takes the loan, how much extra will she have to pay?

Question 6
Andrew pays his electricity bill every quarter. These are his September and December readings:

September 1st: 10453kWh
December 1st: 12369kWh

His current tariff charges 32.7p per kWh for the first 200kWh and then 9.8p per remaining kWh. He can change to a new tariff that will have a standing charge of 47p per day and then charge 10.4p per kWh.

September has 30 days, October has 31 days, and November has 30 days. Which plan is cheaper for Andrew for this quarter?

Question 7
Rachel is going on holiday to Spain and needs to change £200 into Euros. The Bureau de Change in the airport charges 0.6% or £4.00 to change money, whichever is the greater.
a) How much will changing her money at the airport cost Rachel?

After Rachel has paid this charge, the Bureau de Change offers an exchange rate of £1 = €1.16. If she goes to the Post Office before she leaves on holiday she does not pay any commission. The Post Office offers a rate of £1 = €1.12.

b) Where should Rachel change her money?

Question 8
This is Jason's credit card statement.

Previous balance	£420.15	Estimated interest assumes that the balance does not increase, you pay the minimum payment and the way we calculate interest stays the same.
Payments received	£420.15	
New transactions and interest	£566.26	
Your closing balance	**£566.26**	
Next month's estimated interest	£6.71	
Minimum payment due	**£5.66**	
If you pay off the balance in full, you will not be charged any interest.		

a) Assume that next month's estimated interest is correct. Jason decides not to use his credit card any more. He decides to make the minimum payment. How much will Jason owe next month?
b) What advice would you give to Jason? You should use your answer to part a) in answering this question.

Question 9
Sophie is left £4,300 by her grandfather and decides to invest the money for 2 years. Her bank offers her a choice of two savings accounts.

Account 1: pays 3.1% p.a. interest, with interest paid on a monthly basis
Account 2: pays 3.25% p.a. interest, with interest paid annually

a) How much would Sophie get from each account over the first year?