

Name_____

Date_____

Hire Purchase 7

- 1) Dad wants to buy a fridge. He may purchase it cash for \$500 or he may buy it on hire purchase by making a down payment of \$200 followed by 8 monthly instalments of \$40 each.
 - a) How much will the fridge cost on hire purchase? \$_____
 - b) How much money is saved by buying it cash instead of on hire purchase?
\$_____

- 2) Dad wants to buy a lawn mower. He may purchase it cash for \$600 or he may buy it on hire purchase by making a down payment of \$300 followed by 8 monthly instalments of \$50 each.
 - a) How much will the lawn mower cost on hire purchase? \$_____
 - b) How much money is saved by buying it cash instead of on hire purchase?
\$_____

- 3) Dad wants to buy a bike. He may purchase it cash for \$750 or he may buy it on hire purchase by making a down payment of \$250 followed by 10 monthly instalments of \$70 each.
 - a) How much will the bike cost on hire purchase? \$_____
 - b) How much money is saved by buying it cash instead of on hire purchase?
\$_____

- 4) Dad wants to buy a generator. He may purchase it cash for \$870 or he may buy it on hire purchase by making a down payment of \$400 followed by 12 monthly instalments of \$50 each.
 - a) How much will the generator cost on hire purchase? \$_____
 - b) How much money is saved by buying it cash instead of on hire purchase?
\$_____