

1. (a) Mrs Brown's bill for servicing her car is £96 plus VAT.
VAT is charged at 17.5%.
What is her total bill? (3)
- (b) Mr Smith's bill for servicing his car is £185.65 including VAT.
How much was his bill before VAT was added? (3)

2. Jane earns £11 400 per year.
After her pay rise she earns £12 198 per year.
What was her percentage pay rise? (3)

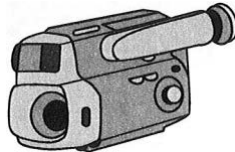
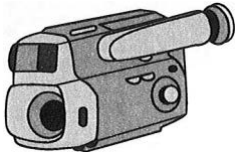
3. (a)

Miss Evans earns £240 per week. She is awarded a pay rise of 3.5%.	Mr Dale earns £220 per week. He is awarded a pay rise of 4%.
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Whose weekly pay increases by the greater amount of money?
You **must** show all your working. (4)

- (b) In 2003 the State Pension was increased by 2% to £78.03.
What was the State Pension before this increase? (3)
4. (a) During 2003 the average wage earned by some factory workers in Barnsley rose from £350 to £372.
What was the percentage increase? (3)
- (b) During 2003 the number of people out of work in Barnsley fell by 8%.
At the end of the year there were 2576 people out of work in Barnsley.
How many people were out of work at the beginning of the year? (3)

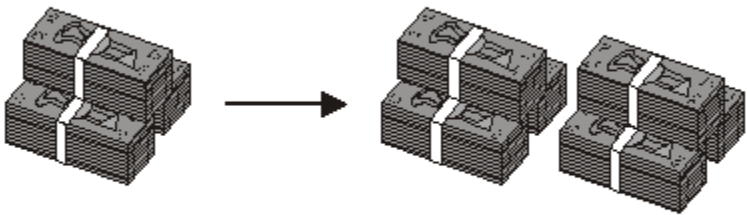
5. A camera is advertised in two shops.
VAT is 17.5%
In which shop is the camera cheaper and by how much? (4)

<p>Dicksons Cameras</p> <p>Sonny DC-23</p>  <p>£330 plus VAT</p>	<p>Carry's Electrical</p> <p>Sonny DC-23</p>  <p>£385 including VAT</p>
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6. £4500 is invested at 3.2% compound interest per annum.
How many years will it take for the investment to exceed £5000? (3)

7. John has £2000 to invest.
He sees this advert.
Will John double his money in ten years with SureFire Investments?
You **must** show your working. (4)

Double your money in 10 years!



The average annual growth of our investment account is **7.2%**

ANSWERS

1. (a) £112.80

(b) £158

2. 7%

3. (a) Mrs E $\frac{3.5}{100} \times 240 = \text{£}8.40$

Mr D: $\frac{4}{100} \times 220 = \text{£}8.80$

 \therefore Mr D

(b) = £76.50

4. (a) 6.29%

(b) 2800

5. Carry's by £2.75

6. 4 years

7. Yes 4008.46 or 2.0042..