

Purchasing Payments

You need: a calculator

ACTIVITY

Matiu wants to buy a CD player, but it's taking a long time for him to save up. He decides to buy the CD player now and pay it off with his pamphlet money. He checks out the deals from three different shops on the CD player he wants.

Loud Noise Company

\$425

25% deposit and
\$27.42 per month for 12 months
or no deposit and
\$17.32 per month for 30 months

Booms

\$465

10% deposit and
\$14.95 per month for 30 months
or 50% deposit and
\$21.15 per month for 1 year

- Which deal is the cheapest for Matiu?
 - How much cheaper is it than the other deals on offer?
- Base Control Ltd told Matiu that they would match the deal of any of their competitors as closely as possible, but the payment period must still be 24 or 36 months.

Investigate the ways in which they could offer the best deal while still keeping their profit as high as possible. Record at least one way for each length of time.

Base Control Ltd

\$395

No deposit and
\$13.65 per month for 36 months
or 15% deposit and \$17.09 per month
for 24 months