

2E Money and financial mathematics

discover

- 1 A budget is a plan for how much to spend on an event or activity. Joe needs to buy three birthday presents in July. He receives \$50 pocket money a month. Here is his budget:

Gran \$15 Graeme \$20 Sophie \$10

- a What is the total amount that Joe plans to spend?
- b Why might Joe have budgeted less money than he has?
- c Can Joe afford all these presents: Gran \$14, Graeme \$23, Sophie \$12? Why, or why not?
- d Can Joe afford all these presents: Gran \$17, Graeme \$21, Sophie \$14? Why, or why not?

- 2 Barry manages Xanadu Boxed Computer Games. He sends out an invoice with each order so that the customer knows how much to pay.

When customers buy a computer game from Barry, they have to pay an extra 10% for the Goods and Services Tax (GST).

Xanadu Boxed Computer Games

Tax Invoice

ABN: 22 123 456 789

Date: 4 October

Quantity	Description	Unit price	GST	Total
1	Tour of Dubai	\$45.00	\$4.50	\$49.50
10	Little Big Earth	\$15.00	\$1.50	\$165.00
1	Brain Bootcamp	\$65.50	\$6.55	\$72.05
Total amount payable				\$286.55

Total price includes GST

- a How much does Brain Bootcamp cost **without** GST?
- b How much does Brain Bootcamp cost **with** GST?
- c How much GST will the customer pay on 10 copies of Little Big Earth?
- d What is the total GST paid by the customer?
How did you calculate this?

Now try these

3 The budget for Bella's birthday party is \$550.

- a Bella decides to spend \$175 on food. How much does she have left?
- b A jumping castle costs \$320 and the cake Bella wants costs \$210. Can she buy both from the amount that is left?

Item	Budget
Food	\$175
Cake	\$210
Total	

- c Think of three more items Bella might need for her party. Write them on the list. Give each a budget so that the total is no more than \$550.

4 Brendan bought some football team merchandise. He received this receipt:

Tax Invoice

The AFL Shop

ABN: 32 123 456 789

Date: 28 April

*Scarf – club colours \$30.00

*Guernsey – kids 12 \$60.00

*Beanie \$9.95

Subtotal \$99.95

Item count: 3

Sale total (Inc GST): \$99.95

Includes GST of: \$9.08

*Indicates a taxable item

- a Circle the amount of GST Brendan paid.
- b What is the total amount Brendan paid, including GST? How do you know?
- c Brendan also bought a ball. The cost **before** GST was added was \$30. What was the price after GST had been added?

- d Did Brendan pay GST on every item he bought? How do you know?