1 A new phone cost £679
The value of the phone decreases at a rate of 4% per year.

Work out the value of the phone at the end of 3 years.

£.....

(Total for Question 1 is 3 marks)

2 Ella invests £7000 for 2 years in an account paying compound interest.

In the first year, the rate of interest is 3%
In the second year, the rate of interest is 1.5%

Work out the value of Ella's investment at the end of 2 years.

£.....

(Total for Question 2 is 3 marks)

3 Tamsin buys a house with a value of £150 000
The value of Tamsin's house increases by 4% each year.

Rachel buys a house with a value of £160 000
The value of Rachel's house increases by 1.5% each year.

At the end of 2 years, whose house has the greater value?
You must show how you get your answer.

(Total for Question 3 is 4 marks)