

Telephone Bills

- 1 A phone company lists its charges as follows:

Phone Rental	£14.75 per month
Peak rate calls	43p per minute
Off-peak calls	19p per minute
+ VAT at 20%	

Using the information provided above, complete this bill:

Phone Rental for 1 month	£
284 minutes at peak rate	£
187 minutes at off-peak rate	£_____
VAT at 20 %	£_____
TOTAL	£_____

- 2 Repeat the above for a bill of **305 peak rate** minutes and **214 off-peak** minutes.

- 3 A mobile phone company offers a contract with the following charges:

Monthly Line Rental	£11.99
Peak time	20p per minute
Off-peak	7p per minute
Texts	10p each
+ VAT at 20%	

How much is a bill in a month when **30 minutes of peak** calls, **150 minutes of off-peak** calls and **350 texts** are used?

If a Pay as You Go package costs **25p per minute for all calls** and **11p for texts**, which would be cheaper and by how much assuming the same usage?

Answers

1	Rental for 1 month	£14.75
	284 minutes at peak rate	£122.12
	187 minutes at off-peak rate	<u>£35.53</u>
		£172.40
	VAT at 20%	<u>£34.48</u>
	TOTAL	<u>£206.88</u>

2) £ 223.87

3) Contract £76.19, PAYG £83.50, Contract is £7.31 cheaper.