**Practice 1**

Wong bought a Sony equipment of cash price RM 28,000 from Tien Hoe Enterprise. He paid RM 2,000 as deposit. The balance and the interest would be settled by 12 monthly instalments. The interest charged was 6% per annum.

**You are required to calculate:**

1. Total hire purchase interest;
2. Total amount of instalments;
3. Hire purchase price;
4. Monthly instalment;
5. Monthly hire purchase interest using straight line method.

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