

Business finance

- DEWI I need a loan for £200 please.
- DODGY DOUG Sure. The interest is a steal - only 18% a week. Just read and sign!
- AL GEBRA Not so fast.
- The name's Al. Private Detective. I'd been casing Dodgy Doug's joint for weeks.
- He was a no-good loan-lending low life and I wasn't gonna let him rip another kid off like a strip of Grandma's moustache wax.
- DEWI But I'm setting up a T-shirt business. I need that loan for a printer!
- AL GEBRA But let's say you sign on the dotted line. You get your 200 big ones, sure, and you get your printer, but old Dodgy Doug, he gets to own you.
- DEWI He does?!
- AL GEBRA Every week that you can't pay off the debt you're coughing up 18% of £200. 36 smackeros every week.
- If you can't keep up the repayments, next thing you know you'll be living in a trash can, while Dodgy Doug circles waiting to take that next bite.
- Listen, you got a £200 debt to payback, capiche? Say it takes you 12 weeks to find that kinda dough, well that's 12 times £36 interest. £432. Add that to your £200 bill and that's 632 of your hard-earned spondulix.
- DEWI You mean I'd be paying £432 interest on that £200 loan?!
- AL GEBRA Let me tell you what I'd do. Play it cool, and save up £36 a week.
- After 6 weeks I've gotten myself a fat stack. £216 sitting pretty in the kitty.
- DEWI £216?! That's enough to buy the printer!

Bitesize

AL GEBRA

Bingo. You put away a bit each month and I work at putting away Dodgy Doug.

Case closed.