

General Certificate of Education  
January 2006  
Advanced Level Examination



**GENERAL STUDIES (SPECIFICATION B)  
Unit 4 Conflict-Resolution**

**GB4W**

Wednesday 25 January 2006 1.30 pm to 2.30 pm

**For this paper you must have:**

- an 8-page answer book

Time allowed: 1 hour

**Instructions**

- Use blue or black ink or ball-point pen.
- Write the information required on the front of your answer book. The *Examining Body* for this paper is AQA. The *Paper Reference* is GB4W.
- Answer **all** questions.
- Do all rough work in your answer book. Cross through any work you do not want marked.

**Information**

- The maximum mark for this paper is 60.
- The marks for questions are shown in brackets.
- You are reminded of the need for good English and clear presentation in your answers. All questions should be answered in continuous prose. Quality of Written Communication will be assessed in all answers.

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Study the source below and answer **all** the questions that follow.

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**Total for this paper: 60 marks**

When Kelly Davies graduated from university last summer, she had accumulated debts totalling more than £14 000 over a three-year period.

Kelly came from a low-income family and had little experience of managing money. When she began her course she had no choice but to take out the full student loan. Kelly knew that going to university would stretch her finances, so she worked as a waitress in a local restaurant when her studies allowed it and only went out with her friends once or twice a week. Kelly was issued with a credit card as part of the package when she opened her student bank account. She used her card mainly for books, nights out and trips home. Kelly also had two store cards, which she took out when she was offered 10% off her first purchases. She used them to buy most of her clothes.

In her final year at university, Kelly went to France to study for a term as part of her course. Her bank did not allow her access to her current account whilst she was in France. As a result, Kelly turned to her credit card, which she had only used sparingly at this point. The delay in being able to access the funds in her current account, however, meant she went heavily into the red and had to use the credit card for basic living expenses such as food. Her debts rose to £1700, which was £300 over the agreed credit limit.

On returning to the UK, Kelly's bank charged her £100 and asked her to pay £30 a month to bring the balance down to the agreed credit limit. Kelly stopped the repayments when she realised she was doing little more than paying off the interest. She asked the bank if she could halt the repayments and save up to pay off a large chunk of the debt, but the bank refused.

One month before graduation, her bank reduced her current account overdraft limit from £1400 to £1000. She was told to apply for a graduate loan from her bank but a credit check revealed the card debt and she was refused. Now Kelly does not know where to turn and is afraid she will not be able to take up a new job as a language assistant in France as she cannot afford to do so.

- 1 Using the source, analyse the nature of the problem and identify the underlying issues. *(15 marks)*
- 2 Identify which parties you consider to be responsible for the problem and analyse the extent of their responsibility, explaining why some might be said to be more responsible than others. *(15 marks)*
- 3 Explain what measures might be taken in the short term and the long term to resolve the problem and evaluate the likely success of these measures. *(20 marks)*

A further ten marks will be awarded for communicating in a concise and logical way in an appropriate form. *(10 marks)*

**END OF QUESTIONS**