

Write your name here

Surname	Other names
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Principal Learning

Centre Number	Candidate Number
<input type="text"/>	<input type="text"/>

Business, Administration and Finance
Level 1
Unit 3: Personal Finance

Monday 18 January 2010 – Afternoon Time: 1 hour	Paper Reference BA103/01
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You may use a calculator.

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions.
- Answer the questions in the spaces provided – *there may be more space than you need.*

Information

- The total mark for this paper is 40.
- The marks for **each** question are shown in brackets – *use this as a guide as to how much time to spend on each question.*

Advice

- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.

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Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

1 Which **one** of the following is a form of borrowing?

A	Cash	<input type="checkbox"/>
B	Credit card	<input type="checkbox"/>
C	Debit card	<input type="checkbox"/>
D	Travellers' cheque	<input type="checkbox"/>

(Total for Question 1 = 1 mark)

2 Which **one** of the following is a source of personal finance?

A	Banks	<input type="checkbox"/>
B	Mobile phone bill	<input type="checkbox"/>
C	Inheritance	<input type="checkbox"/>
D	The Government	<input type="checkbox"/>

(Total for Question 2 = 1 mark)

3 Which **one** of the following is a type of 'near money'?

A	Credit card	<input type="checkbox"/>
B	Store card	<input type="checkbox"/>
C	Debit card	<input type="checkbox"/>
D	Loyalty card	<input type="checkbox"/>

(Total for Question 3 = 1 mark)

4 Which **one** of the following is a state benefit?

A	Job Seeker's Allowance	<input type="checkbox"/>
B	Private pension	<input type="checkbox"/>
C	Bank interest	<input type="checkbox"/>
D	Income tax refund	<input type="checkbox"/>

(Total for Question 4 = 1 mark)



5 Security is one feature of money.

(a) State **three** methods of security found on a £10 note.

(3)

1

2

3

(b) (i) Identify **one** other feature of money.

(1)

(ii) Explain why this feature is important.

(2)

.....

.....

.....

.....

(Total for Question 5 = 6 marks)



3
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6 (a) State **two** advantages of using the **Citizens Advice Bureau** for personal financial advice.

(2)

1

.....

2

.....

(b) State **two** advantages of using a **bank** for personal financial advice.

(2)

1

.....

2

.....

(Total for Question 6 = 4 marks)



7 Michaela is 18 and lives with her parents. She has started part-time work at a local shop. Michaela has started to keep a weekly budget. At the start of the week, she has £14.23 cash.

(a) Using the information below, complete Michaela's budget.

- Weekly bus pass: £5.40
- Earnings from job: £32.00
- Take-away pizza: £8.48
- Computer game: £20.00
- Mobile phone top-up: £10.00

(6)

	£	P
Opening Balance	14	23
Income:		
Expenditure:		
Closing Balance		

(b) Does Michaela have a budget surplus or a budget shortfall?

(1)

(Total for Question 7 = 7 marks)



8 Michaela wants to open a bank account.

(a) List **two** forms of identification Michaela could show the bank when opening an account.

(2)

1

.....

2

.....

(b) Michaela has £25 to open her account. She has found the following information.

Bank	Interest Rate Offered	Minimum Balance	Interest is paid
Lloyds TSB	2.5%	£100	Monthly
Nationwide	2%	£75	Monthly
NatWest	3%	£20	Monthly
Halifax	1%	£20	Monthly
HSBC	3%	£50	Monthly

(i) Using the above information, identify which bank Michaela should choose.

(1)

.....

.....

(ii) Justify your choice.

(4)

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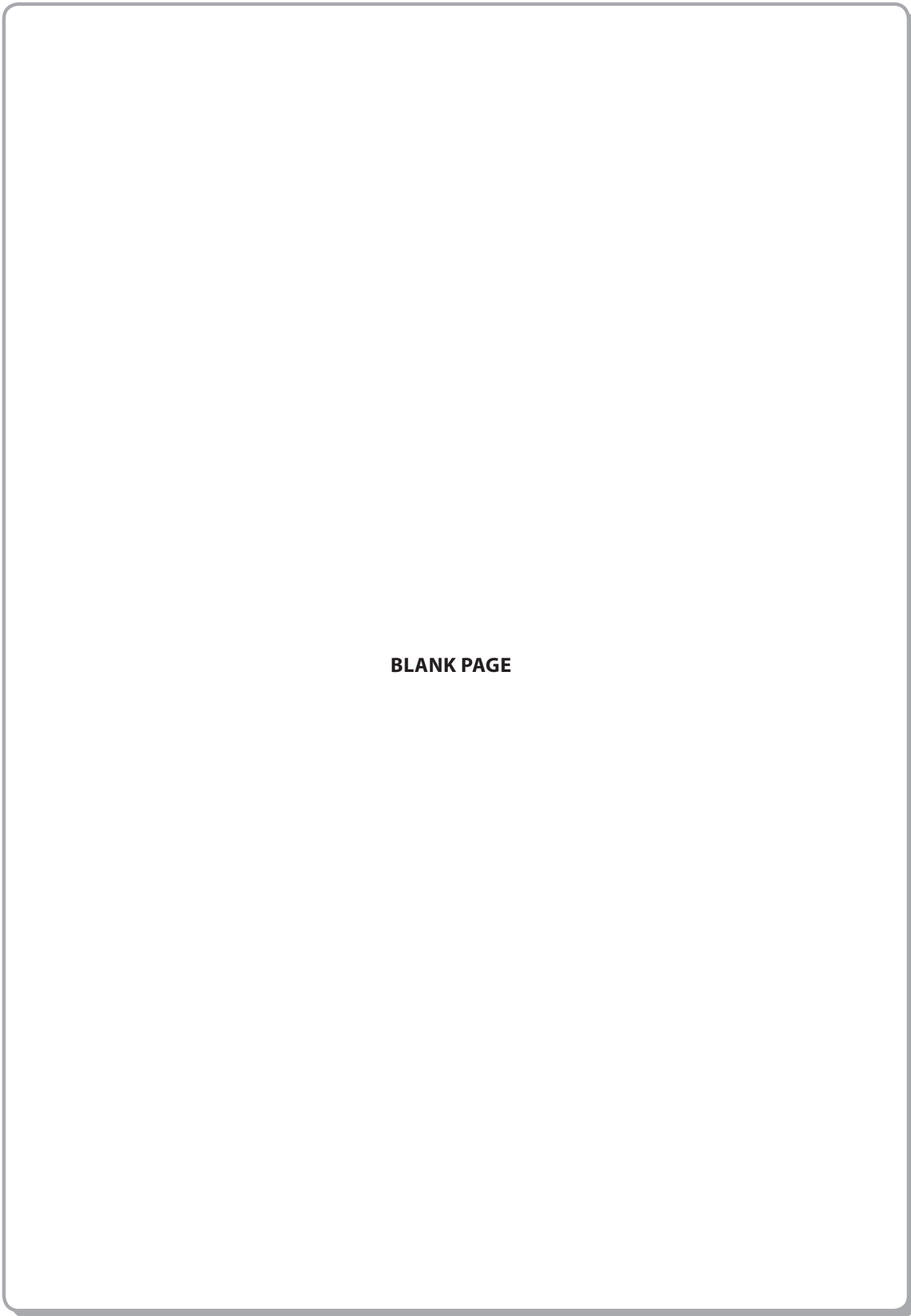
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(Total for Question 8 = 7 marks)





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7
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9 (a) Michaela has now decided to open an online current account.

(i) Explain **one** advantage of opening an online current account.

(2)

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(ii) Explain **one** disadvantage of opening an online current account.

(2)

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(b) Describe **two** ways that Michaela can protect herself against online fraud.

(4)

1

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2

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(c) Michaela has been offered a credit card but she is worried about getting into debt.

Explain why it is important to manage debt.

(4)

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(Total for Question 9 = 12 marks)

TOTAL FOR PAPER = 40 MARKS



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