

Write your name here	
Surname	Other names
<b>Edexcel</b>	Centre Number
<b>Principal Learning</b>	Candidate Number
<b>Business, Administration and Finance</b> <b>Level 1</b> <b>Unit 3: Personal Finance</b>	
Monday 18 January 2010 – Afternoon <b>Time: 1 hour</b>	Paper Reference <b>BA103/01</b>
<b>You may use a calculator.</b>	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 . 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 checked="" type="checkbox"/>
B	Credit card	<input checked="" type="checkbox"/>
C	Debit card	<input checked="" type="checkbox"/>
D	Travellers' cheque	<input checked="" type="checkbox"/>

(Total for Question 1 = 1 mark)

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

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

(Total for Question 2 = 1 mark)

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

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

(Total for Question 3 = 1 mark)

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

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

.....

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**(Total for Question 5 = 6 marks)**



**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 .....

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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
<b>Opening Balance</b>	14	23
<b>Income:</b>		
<b>Expenditure:</b>		
<b>Closing Balance</b>		

(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.

<b>Bank</b>	<b>Interest Rate Offered</b>	<b>Minimum Balance</b>	<b>Interest is paid</b>
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)

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(ii) Justify your choice.

(4)

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**(Total for Question 8 = 7 marks)**



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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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