

Examiners' Report/
Principal Examiner Feedback

January 2013

Principal Learning Business,
Administration & Finance
Personnel Finance (BA203) Paper 01

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BA203 January 2013 series
Unit 3 Personnel Finance**

Q 1 – 7 – MCQs with an expected range of answers. Most candidates did well.

Q8 – Candidates had to read scenarios and select a profile to fit the question. Most candidates did well on this activity.

Q9a (i) – This was well answered with the majority of candidates understanding the difference between income and expenditure.

Q9a(ii) – Some candidates failed to notice the amount of marks available for this question. Most gave simplistic answers such as work more hours or stop going to the cinema. However, many candidates failed to extend their answers by giving the reason why and the outcome for taking the proposed action.

Q9(b) – This question was not well answered. Only a few candidates could give a clear understanding that contingency planning was about mitigating against risk. The majority of candidates focussed their answers on the importance of budgets missing out the factory of contingency planning being about coping with emergency situations.

Q10 – Candidates could give good detailed answers on Statutory Sick Pay – many candidates achieving full marks. However, many candidates failed to understand contribution-based benefits and its relationship with National Insurance contributions.

Q11(a) – Most candidates gave good answers on the benefits of a savings account. Many achieved high marks for this question focussing their answers on the receiving and building of interest.

Q11(b) – This was not answered well by candidates. Most candidates did not focus their answers on risk which was the main part of the question. Candidates focussed their answers on lack of choice of using a store card. Those few candidates that focussed their answers around the risk of spending too much money and having to pay back interest charges, achieved higher marks.

Q11(c) – This question was well answered with the majority of candidates able to calculate the currency conversion. Where candidates disadvantaged themselves was by not giving the answer to two decimal places.

Q11(d) – This question was well answered. However, those candidates that just put 'dollars' could not achieve the mark. They needed to clearly state US Dollars

Q12 – Most candidates could give good definitions of 'net pay' and 'PAYE.' Some excellent answers were given to the second part of the question that focussed on 'indirect taxation'. However, the majority of candidates failed

to understand the fact that indirect taxes are levied on goods or services rather than on persons or organisations.

Q13 – A variety of answers were given to this question. Those who had come across variable rate mortgages quickly scored high marks. However, the majority of the candidates failed to move from an initial few marks as they gave scant detail on the benefits of variable rate mortgages and the relationship to the base rate. Many candidates felt that the mortgagee could decide exactly how much they wanted to pay back each month.

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