

# Mark Scheme

Principal Learning

## Business, Administration and Finance (BA103/01)

# General guidance on marking

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Examiners should look for qualities to reward rather than faults to penalise. This does NOT mean giving credit for incorrect or inadequate answers, but it does mean rewarding learners for answers showing correct application of principles and knowledge, and for critical and imaginative thinking. Examiners should therefore read and consider every response carefully; even if it is not what is expected it may be worthy of credit. The Principal Examiner or Team Leader should be consulted as necessary.

## Using the mark scheme

- 1 The first row identifies the question.
- 2 The first column identifies the part of the question.
- 3 The second column identifies acceptable responses.
- 4 Exemplar responses are not necessarily exhaustive and markers should apply professional judgement.
- 5 For some exemplar responses, example answers have been supplied as additional guidance, particularly where the question allows for a wide range of responses from the learner. Each bullet point illustrates an alternative way of obtaining the mark(s).
- 6 The use of a dash '-' indicates the separation of points made, to show where the marks lie. The use of an oblique '/' indicates an alternative point for the same mark.
- 7 The second column sometimes indicates where marks are to be awarded with a number inside parentheses, eg (1)
- 8 The third column gives the sub-total for each part of the question and the total marks for the question.

Where extended answers are required from the learner, levels of response style instructions are provided.

Question number	Answer	Mark
1	A	(1)

Question number	Answer	Mark
2	C	(1)

Question number	Answer	Mark
3 (i)	D	(1)

Question number	Answer	Mark
3 (ii)	B	(1)

Question number	Answer	Mark
4 (a)	Wilkinsons	(1)

Question number	Answer	Mark
4 (b) (i)	1 mark for any appropriate method, for example savings/current accounts/ISAs	(1)

Question number	Answer	Mark
4 (b) (ii)	2 marks are available depending on the extent of the information given, for example:  <i>I would deposit a fixed amount of cash (1) every week (1)</i>	(2)

Question number	Answer	Mark
5 (a)	1 mark for each piece of relevant information.  Acceptable answers: <ul style="list-style-type: none"> <li>• Cash</li> <li>• Cheque</li> <li>• Debit card</li> <li>• Store card</li> </ul> <p style="text-align: right;">(2 x 1)</p>	(2)

Question number	Answer	Mark
5 (b)	<p>1 mark for each piece of relevant information.</p> <p>Possible answers:</p> <ul style="list-style-type: none"> <li>You/the store assistant inserts the card in a machine</li> <li>You enter the PIN</li> <li>Payment is made electronically by the machine</li> <li>The machine prints a receipt</li> </ul> <p style="text-align: right;">(2 x 1)</p>	(2)

Question number	Answer	Mark
5 (c)	<p>1 mark for each piece of relevant information.</p> <p>Acceptable answers include:</p> <ul style="list-style-type: none"> <li>Name</li> <li>'Long' (16-digit) number</li> <li>(3-digit) security code</li> <li>Name of issuing bank/company</li> <li>Type (Visa, Mastercard etc)</li> <li>Valid dates</li> </ul> <p style="text-align: right;">(2 x 1)</p>	(2)

Question number	Answer	Mark
5 (d)	<p>1 mark for naming a consequence, 1 mark for outlining what the consequence is.</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> <li>Interest payments (1) for example more to repay in the long run (1)</li> <li>Credit rating worse (1) and may affect future borrowing (1)</li> <li>Possible cancellation of credit card (1) poor credit rating/inconvenience (1)</li> <li>Legal action from bank to recover money (1) poor credit rating/costs of legal action (1)</li> </ul>	(2)

Question number	Answer	Mark
6 (a)	D	(1)

Question number	Answer	Mark																																												
6 (b)	<table border="1"> <thead> <tr> <th></th> <th>£</th> <th>p</th> <th></th> </tr> </thead> <tbody> <tr> <td>Opening balance</td> <td>14</td> <td>62</td> <td>(1)</td> </tr> <tr> <td>Receipts:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    paper round earnings</td> <td>7</td> <td>40</td> <td>(1)</td> </tr> <tr> <td>    Saturday job income</td> <td>15</td> <td>00</td> <td>(1)</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Payments:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    cinema</td> <td>5</td> <td>50</td> <td>(1)</td> </tr> <tr> <td>    magazines</td> <td>4</td> <td>25</td> <td>(1)</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Closing balance</td> <td>27</td> <td>27</td> <td>(1)</td> </tr> </tbody> </table>		£	p		Opening balance	14	62	(1)	Receipts:				paper round earnings	7	40	(1)	Saturday job income	15	00	(1)					Payments:				cinema	5	50	(1)	magazines	4	25	(1)					Closing balance	27	27	(1)	(6)
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Question number	Answer	Mark
6 (c) (i)	£16.25	(1)

Question number	Answer	Mark
6 (c) (ii)	It will increase total receipts/increase the closing balance	(1)

Question number	Answer	Mark
7 (a) (i)	By interest rate	(1)

Question number	Answer	Mark
7 (a) (ii)	1 mark for choosing Abbey, 1 for the reason (because it has the highest interest rate)	(2)

Question number	Answer	Mark
7 (b)	<p>1 mark for each piece of relevant information.</p> <p>Acceptable answers include:</p> <ul style="list-style-type: none"> <li>• Proof of identity (or named examples of these)</li> <li>• Age</li> <li>• Personal details</li> <li>• Signature</li> </ul>	(2 x 1) (2)

Question number	Answer	Mark
8 (a)	<p>1 mark for identifying two ways, and 1 mark for outlining how for each of the two ways</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> <li>• Keep cheque book/documents safe (1) - in inside jacket pocket/in closed bag/at home in a drawer (1)</li> <li>• Dispose of old documents/statements safely (1) by shredding/tearing up (1)</li> <li>• Don't let other people use your current account documents (1) - such as cheque book/cards (1)</li> <li>• Don't disclose information to others (1) - such as your PIN/your account number (1)</li> </ul> <p style="text-align: right;">(2 x 2)</p>	(4)

Question number	Answer	Mark
8 (b)	<p>6 marks are available, with up to 4 marks for advantages and 4 marks for disadvantages.</p> <p>Possible advantages include:</p> <ul style="list-style-type: none"> <li>• He knows how much interest he will get (1) - because the rate is fixed (1)</li> <li>• He hopes to save more than £20/the account is suitable for someone who can save at least £20 (1)</li> <li>• It is convenient as there is a local branch (1)</li> </ul> <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> <li>• Ashok may not always be able to save £20 (1)</li> <li>• When the bank is open, Ashok is often not available/at college (1) and there is no 'access at a distance' (1) so he may find it difficult to use (1)</li> </ul>	(6)