

Free-Standing Mathematics Qualification
June 2009
Intermediate Level



FINANCIAL CALCULATIONS (PILOT)
Unit 4

9984/PM

PRELIMINARY MATERIAL

DATA SHEET

**To be issued to candidates between Tuesday 21 April 2009
and Tuesday 5 May 2009**

REMINDER TO CANDIDATES

YOU MUST **NOT** BRING THIS DATA SHEET
WITH YOU WHEN YOU SIT THE EXAMINATION.
A CLEAN COPY WILL BE MADE AVAILABLE.

Clothes sale

A shop advertises the following sale offers.

**ALL
DESIGNER
JEANS**



18% OFF

T-SHIRTS

WERE £ 6 each

now

£ 3.50 each

**BUY ONE
SKIRT
and
GET ANOTHER AT**

50% OFF

**The second item must be of
equal or lower value**



**ALL
TRAINERS**

$\frac{1}{5}$ OFF

Bank accounts

The Leicester District Bank has a number of different savings accounts which are listed in the table below.

Account name	Rate of interest
Basic Saver	1.13% paid every 3 months
Saver Plus	2.3% paid every 6 months
Super Saver	4.9% paid annually
Instant Access	0.1% paid annually

Books

A book shop advertises offers on packs of children's books.

Some of the offers are shown below.

Book	Number of books in pack	Original price (£)	Discounted price (£)
Thomas the Tank Engine	50	125	30
Dora the Explorer	20	80.80	12.99
Mr Men and Little Miss	12	30	7.99
Little Red Tractor	8	20	4.99
Dahl Stories	10	54.90	12.99

Source: THE BOOK PEOPLE

Low cost mortgage

To encourage customers to take out one of their company's mortgages, a number of lenders offer an attractive low interest rate which is valid for only one or two years. After this time, the interest rate rises sharply. It is common for these lenders to charge a substantial exit penalty if you try to move your mortgage to another lender before a period of time determined by the original lender.

The table below shows the initial rate, the subsequent rate and the exit penalty if you change lenders. The exit penalty is charged on the value of your initial mortgage.

Mortgage lender	Initial mortgage rate (%)	Length of time of initial rate	Subsequent mortgage rate	Exit penalty
Alliance and Leicester plc	2.99	1 year	6.84%	3%
Northern Rock plc	4.99	2 years	7.74%	4%
Portman Building Society	3.99	2 years	7.74%	Up to 7%
West Bromwich Building Society	2.99	2 years	7.74%	Up to 5%

Source: 'Northern Rock's Mortgage Trap' by David Budworth, *The Sunday Times*, 8 July 2007

Turn over

Turn over ►

Withdrawal of euros

The cost of withdrawing € 100 depends on where the money is obtained and which debit card is used. A number of cashpoints, or ATMs, in the UK now dispense euros and dollars, in addition to pounds. The table below gives the cost of obtaining € 100 from a Halifax ATM in the UK, from a bank ATM in Europe and from a branch of Travelex (having ordered the money online).

Debit card	Cost of € 100		
	Halifax ATM in the UK	Bank ATM in Europe	Branch of Travelex (ordered online)
Abbey	£ 75.09	£ 73.20	£ 75.09
Barclays	£ 74.58	£ 73.20	£ 74.58
Halifax	£ 73.08	£ 73.20	£ 73.08
HSBC	£ 75.09	£ 73.26	£ 73.08
Nationwide	£ 73.08	£ 69.78	£ 73.08
NatWest	£ 75.09	£ 73.51	£ 73.08

The data were correct at 2 pm on 20th September 2007.

Source: 'Get euros from your hole in the wall' by Ali Hussain, *The Sunday Times*, 23 September 2007

Taxation 2008–2009

Value Added Tax (VAT)

The standard rate is 17.5%.

The rate for fuel is 5%.

Income Tax 2008–09

How your tax is calculated.

Find your taxable income by subtracting your tax-free allowance from your annual income.

You pay income tax at 20% on the first £ 34 800 of your taxable income.

You pay income tax at 40% on your taxable income above £ 34 800.

National Insurance 2008–09

Rates of National Insurance are:

0% on income up to £ 105 per week or £ 455 per month;

11% (contracted out 9.4%) on income between £ 105 and £ 770 per week
or between £ 455 and £ 3337 per month;

1% on income over £ 770 per week or over £ 3337 per month.

If an employee has entered an occupational pension scheme, the employee may 'contract out' and pay National Insurance at a lower rate. In this case, the employee will receive from the state only the basic state retirement pension.

END OF DATA SHEET