

- 1 The Golden Rule: - the government will borrow only to invest and not to fund current _____?
- A. Taxes
 - B. Spending
 - C. Legislation
 - D. Borrowing
- 2 The dividends from a unit trust are paid out to unit holders. Have they already paid the tax on the dividend?
- A. No
 - B. No They will need to pay when they receive it
 - C. At their current tax rate
 - D. Yes
- 3 Which year was Pension credit introduced?
- A. 2003
 - B. 2000
 - C. 1995
 - D. 1985
- 4 Which percentage are Building societies allowed to raise funds on the money markets on their liabilities?
- A. 30%
 - B. 40%
 - C. 50%
 - D. 60%
- 5 If I have under insured myself which term describes how I will get some payout but not the full value of what I have lost?
- A. Average
 - B. Reduced
 - C. Value to payout
 - D. Insurance break
- 6 For self-Employed people the expenses of running their business are _____?
- A. Tax deductible
 - B. Tax free
 - C. Tax efficient
 - D. Tax doubled
- 7 Which Act regulates Unit Trusts?
- A. Financial Services and Markets ACT
 - B. The Finance ACT
 - C. The Supply of Goods Act
 - D. The Government Act

- 8 When handling an objection you must always_____ it first?
- A. Understand
 - B. Ignore
 - C. Write it down
 - D. Qualify
- 9 If I had a successful Inheritance tax P.E.T how much tax would I pay?
- A. Nothing
 - B. 5%
 - C. 10%
 - D. 15%
- 10 If a company had a 2.0 or more dividend cover is this good or bad for a potential purchase?
- A. Yes
 - B. It is the average
 - C. It is above the average
 - D. No not good to buy
- 11 What level does the interest start for an Investment account with the NS and I?
- A. £500
 - B. £750
 - C. £1000
 - D. £2000
- 12 If my repayment mortgage rate doesn't change will the payment amount change?
- A. Toward the end of the mortgage
 - B. At the beginning of the mortgage
 - C. No
 - D. With inflation
- 13 What is the minimum term for whole of life assurance if limited premiums are chosen?
- A. 10 years
 - B. 15 years
 - C. 20 years
 - D. 25 years
- 14 Basic rate taxpayers have paid 10% tax on dividends what is the liability above this level of tax?
- A. 5%
 - B. 10%
 - C. 15%
 - D. Nothing

- 15 Which term assurance would be good to repay a debt or bank loan?
- A. Long Term Assurance
 - B. Level Term Assurance
 - C. Short Term Assurance
 - D. Increasing Term Assurance
- 16 Does the stamp duty on a house relate to the total cost of the house including fees or just the purchase price?
- A. Just the purchase price
 - B. Just the fees
 - C. Both
 - D. Neither
- 17 If I bought a gilt cum dividend what would I be entitled to?
- A. Nothing
 - B. Extra dividends
 - C. The last interest payment
 - D. The next interest payment
- 18 _____ a tax efficient way of paying of the capital of an Interest only mortgage?
- A. ISA
 - B. Premiums Bond
 - C. CTF
 - D. Income Plan
- 19 Pecuniary loss is a result of defaulting_____?
- A. Creditors
 - B. Banks
 - C. Mortgage companies
 - D. GILTS
- 20 If I am a non-resident and I work in the UK what would be my tax code?
- A. EIII
 - B. EI
 - C. EII
 - D. PIII

- 21 When recommending a financial solution for a potential customer _____ must be taken into consideration?
- A. New Mortgages
 - B. Risk
 - C. Loans
 - D. Spouses
- 22 Which of these is NOT offered with PMI:- ?
- A. Avoidance of NHS waiting lists
 - B. Choice of hospital
 - C. High quality accommodation
 - D. Faster prescriptions
- 23 What are the two main types of Support for people on low incomes?
- A. JSA and Income Support
 - B. Working tax credit and Income Support
 - C. Working tax credit and Working Support
 - D. Unemployment credit and Income Support
- 24 What are the two main reasons people invest?
- A. Security and Help
 - B. Income and Security
 - C. Lump sum and security
 - D. Income or lump sum
- 25 Are preference shares liable to get dividends?
- A. No
 - B. Some yes
 - C. Every two years
 - D. Every four years
- 26 What percentage are building societies allowed to have of their commercial assets in unsecured Loans?
- A. 5%
 - B. 10%
 - C. 12%
 - D. 15%
- 27 If I have a no CGT taxes can I use my Investment Bond for this relief?
- A. For the next tax year
 - B. For the tax year two years ago
 - C. Yes
 - D. No

- 28 When inventing a new gadget would the royalties be subject to tax?
- A. Up to the first £15,000
 - B. Up to the first £10,000
 - C. Yes
 - D. No they are tax free
- 29 Which period are Capital gains tax calculated?
- A. Normal tax year
 - B. From purchase
 - C. From disposal
 - D. January 1st to 31st December
- 30 Is the distinction between retail and wholesale banking becoming more or less obvious?
- A. More
 - B. Less
 - C. Its really not changing
 - D. Staying the same
- 31 The investment manager for a collective investment buys shares in many different companies so _____ the risk even if you invest a low amount?
- A. Increases
 - B. Spreads
 - C. Calculates
 - D. Manipulates
- 32 Can I choose what I pay into my Flexible Whole of life policy?
- A. In the first month
 - B. In the first year
 - C. No
 - D. Yes
- 33 Does a pension mortgage carry life insurance?
- A. No
 - B. Yes
 - C. It is an option
 - D. Only with banks
- 34 If I have an interest only mortgage do I pay any of the capital off while I pay the mortgage?
- A. No
 - B. 10% per year
 - C. 15% per year
 - D. 25% per year

- 35 What is a gilt coupon?
- A. The redeem amount
 - B. The year of the GILT
 - C. Term left for the GILT
 - D. The fixed interest rate
- 36 What percentage of the income received by an investment trust must be distributed as dividends?
- A. 80%
 - B. 85%
 - C. 90%
 - D. 95%
- 37 Public sector Net Borrowing = sum of current public spending + Net public investment _____ Total Public revenues?
- A. Equals
 - B. Divided
 - C. Minus
 - D. Plus
- 38 Income from property disposal is subject to which tax?
- A. Property
 - B. Stamp Duty
 - C. IHT
 - D. CGT
- 39 Which income tax schedule covers everything that doesn't go in the other schedules?
- A. E III
 - B. D IV
 - C. D VI
 - D. D 8
- 40 You are a joint tenant and the other owner dies, the property automatically_____?
- A. Transfers to me
 - B. Goes to the government
 - C. Goes to the family of the other joint tenant
 - D. Stays as it is

- 41 If a Fixed rate bond finishes and you wish to continue what can be done?
- A. You must buy a new bond
 - B. You must cancel the first then add to a new bond
 - C. Nothing can be done it will finish
 - D. It can be left
- 42 What are the two forms received when buying a unit trust?
- A. Bill of rights and Certificate
 - B. Contract Note and Unit Certificate
 - C. Contract Note and Share receipt
 - D. Certificate and Memorandum
- 43 Which one of the With - Profits Endowment Bonuses are declared each year?
- A. Advantage Bonus
 - B. On death payout
 - C. Reversionary Bonus
 - D. Terminal bonus
- 44 With a discounted mortgage, do I get a discount off the capital or off the viable rate?
- A. Both
 - B. Capital
 - C. Variable
 - D. Neither
- 45 Which of these does not count as the public sector for Fiscal Policy?
- A. Central Government
 - B. High Street Bank
 - C. Local Authorities
 - D. Public corporations
- 46 For my money to grow what must be taken into account?
- A. Mortgage rates
 - B. Tax
 - C. The effect of Inflation
 - D. Bonds
- 47 The_____ Price is the price people buy the Units trust units from the managers?
- A. Bid
 - B. Offer
 - C. Long
 - D. Current

- 48 Which form would I use to declare I don't pay tax to get interest paid gross?
- A. R85
 - B. T31
 - C. Y54
 - D. P60
- 49 The Third type of ISA has now been discontinued what was it?
- A. Pension ISA
 - B. Discounted
 - C. Life Assurance ISA
 - D. Pensioners ISA
- 50 CGT is a business asset held for the purpose of employment to which the individual devoted _____ of their time?
- A. Most
 - B. Some
 - C. All
 - D. None of the above