



Questions & Answers

1. How much VAT is added to a bill for £20 if the VAT is 20%?
£4.00
2. Do you always have to provide a signature for a valid credit card transaction?
No. Many transactions are “customer not present”, for example goods bought online or over the telephone
3. How many different denominations of UK coins are there in circulation?
8
4. If you enter into a secured loan, what can happen if you fall into arrears?
You can lose your home
5. What happens to a cash deposit if a consumer exercises the right to cancel during the cooling-off period?
The deposit is returned as if the deal was never made
6. Why should you always try to pay off your credit card balance in full each month?
To avoid paying interest
7. What must appear on every consumer credit agreement to make it effective?
The consumer’s signature. No signature, no agreement
8. If you are having problems repaying a bank loan, what is the first thing you should do?
(a) Look at how you can reduce your other outgoings
(b) Contact the bank to let them know you are having difficulties
(c) Ask friends and family to have a whip-round
Answer (b). The bank will appreciate you keeping them informed and may be able to offer some options to make things a bit easier for a while