

**Pearson Edexcel  
Functional Skills**

**English**

**Level 2**

**Component 2: Reading**

9 – 13 January 2017

**Text Booklet**

Paper Reference

**E202/01**

**Return the Text Booklet with the question paper.**

**Information**

- This Text Booklet contains three texts needed for use with the Level 2 Component 2: Reading examination.

**Advice**

- Read all three texts before you attempt to answer the questions.

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*Turn over* ►



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## Text A

### How would you like to pay?

People are predicting the 'death of cash' and that notes and coins could disappear by 2025. Growing numbers of Britons believe contactless cards and mobile payments will be the main means of purchasing goods and services in the near future. This means that there will be no need for cash.

Only half of Britons believe cash will still be in day-to-day use in a decade's time, while 48% believe they will use contactless payments every day by 2025, according to the survey from Lloyds Bank. 39% say they don't expect they'll need to use cash at all a decade from now.

Futuristic technology is also highly anticipated. More than a quarter expect to be able to make payments with watches, wristbands or other wearable technology, and 22% think they will regularly use their fingerprints to make payments.

The study even found that 7% of Britons expect to use a microchip embedded in their body to make regular purchases. The report came ahead of an increase in the limit on contactless payments, from £20 to £30.

Meanwhile, Barclaycard has reported that contactless transactions more than doubled over the past 12 months, as the technology is increasingly being used for everyday purchases. The firm said that 29% of transactions in supermarkets are paid for via contactless systems, while 20% of restaurant payments are contactless.

London is leading the way in contactless payments, in part because customers can use the technology on buses, trains and the Underground network. According to Barclaycard, 40% of eligible transactions in the capital are paid for with contactless technology.

Other technological advancements are also in the pipeline to shake up the way customers pay for goods and how they do their banking. For example, after July next year, it should be possible for customers of all major banks to pay in cheques by using a smartphone app.



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## Text B

The screenshot shows a web browser window with the address bar containing 'www.cardsorcash.web' and a search bar with 'forum'. The browser's menu bar includes 'File', 'Edit', 'View', 'Favourites', 'Tools', and 'Help'. The main content area displays a forum thread with the following posts:

**Charlie**  
I don't believe that people will stop using cash. I much prefer using 'real money'. I take my money from the cashpoint and know exactly how much I have to spend. This means that I can't get into debt like I could with a credit card. Plus, there's no chance of bank errors like there is with card payments.

**Millie**  
Why carry money, when you can pay for everything by card? You must make non-stop trips to the cashpoint. If I pay by card then I don't need to worry about losing my cash or having it stolen. With online banking, it also means I can keep track of everything I spend.

**Charlie**  
I don't know where you live, Millie, but there are several shops that don't take cards in my area. Retailers have to pay a fee to the card company and so it costs them money to accept cards. From my point of view not having a card means no one trying to steal my details and no risk of online fraud.

**Millie**  
There's no future for shops that won't take cards. Plus, like most people, I love online shopping and you can't do that with cash. I agree that you need to be careful about online fraud, but, if you take precautions, then you can keep your money safe.

**Charlie**  
Maybe I am old-fashioned, but cash works for me and helps me keep to a budget. You spend more with a card than you do with cash and I bet this applies to you, Millie. It's just too easy to spend on a card, especially now everything's gone contactless.

**Millie**  
You have got me there, Charlie – I do spend too much on my cards sometimes. You still have to accept that cash is on the way out, though. Some countries want to go completely 'cash free' soon and we won't be far behind. And if you think that contactless cards are bad, soon we'll be able to make payments with our fingerprints as well!



P 5 3 7 7 7 A 0 3 0 4

## Text C

### Using a contactless card

Spending with contactless cards is going through the roof. £2.32 billion was spent in 2014 and then £2.6 billion was spent in the first six months of 2015 alone. More and more retailers are accepting these cards and it's clear that the future is contactless.

However, there are risks when paying with any type of card. It is very easy to over spend, but there are other problems that you need to be aware of. Transaction errors can leave you out of pocket and there are also fraudsters who will try and get hold of your details. Read the advice below for suggestions on how to avoid nasty surprises.

#### Monitor your transactions

Most contactless payments are quite small as there is a limit of £30. This means it is easy to miss any fraudulent payments on your bank account and credit card statements. If you set up online banking, then you can check all payments as they go through, rather than waiting for a statement at the end of the month. This will help to ensure that you are not a victim of crime.

#### Make it clear which card you are using

Card clash can be an issue with contactless payment. This occurs when you have two contactless cards in your wallet or purse and the card reader doesn't know which card to take payment from. This can cause payments to be declined. To avoid this, always take the card you want to use out of your wallet and touch it on the card reader.

#### Report loss or theft immediately

Fraudulent use (when someone pretends to be you) is a risk with any type of card. To guard against this, tell your bank immediately if your card is lost or stolen. If you do this then you should get your money back.

All of the above will also help you to cope with future developments. In years to come it is likely that more and more of us will be paying bills with smartwatches and other wearable devices or even a key fob.



Write your name here

Surname

Other names

**Pearson Edexcel  
Functional Skills**

Centre Number

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Candidate Number

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**English**

**Level 2**

**Component 2: Reading**

9 – 13 January 2017

**Time: 60 minutes**

Paper Reference

**E202/01**

**You MUST have the correct Text Booklet.  
You may use a dictionary.**

Total Marks

**My signature confirms that I will not discuss the content of the test with anyone until the end of the 5 day test window.**

Signature: \_\_\_\_\_

### Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Sign the declaration.
- Answer **all** questions.
- Answer the questions in the spaces provided – *there may be more space than you need.*

### Information

- The total mark for this paper is 30.
- The marks for each question are shown in brackets – *use this as a guide as to how much time to spend on each question.*
- This question paper assesses your reading skills, not your writing skills.

### Advice

- Read all three texts before you attempt to answer the questions.
- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Check your answers if you have time at the end.

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**Context**

You notice that fewer people are using cash to pay for their purchases. You decide to find out more information about this subject.

**Instructions**

Read Text A, Text B and Text C in the Text Booklet, then answer questions 1 – 13.

DO NOT WRITE IN THIS AREA

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DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA



Answer question 1 with a cross . If you change your mind about an answer, put a line through the box  and then mark your new answer with a cross .

1 The writer of Text A believes that:

- A most people are afraid of using contactless cards
- B smartphone payments are safer than cash payments
- C most people will use contactless cards in restaurants
- D smartphone apps will help people with their banking

(Total for Question 1 = 1 mark)

2 In Text A, what do the following quotations suggest about how people will spend money in the future?

'death of cash'

(1)

'futuristic technology'

(1)

(Total for Question 2 = 2 marks)

3 What is the **main** purpose of Text A?

(Total for Question 3 = 1 mark)



4 Give **one** reason why Text B is the most suitable for someone who is trying to decide whether it is better to spend cash or use cards.

.....

.....

(Total for Question 4 = 1 mark)

Answer questions 5 and 6 with a cross in the box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

5 In Text B, the paragraph beginning 'There's no future...' implies that:

- A online fraud is not a problem anymore
- B using a credit card can save you money
- C the majority of people like to buy online
- D shops will soon stop accepting cash

(Total for Question 5 = 1 mark)

6 In Text B, which of the following quotations is an example of exaggeration?

- A 'I do spend too much on my cards sometimes'
- B 'You must make non-stop trips to the cashpoint'
- C 'You spend more with a card than you do with cash'
- D 'I don't believe that people will stop using cash'

(Total for Question 6 = 1 mark)

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DO NOT WRITE IN THIS AREA





7 Identify **two** methods used by the writer of Text C to convince the reader that it is important to be careful when using a contactless card.

Give an example to support each answer.

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(2)

2 .....

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(2)

**(Total for Question 7 = 4 marks)**

8 Your friend thinks that cash will always be the most popular way to buy things.

Using Text A and Text B, advise your friend on reasons why cash may become less popular in the future.

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**(Total for Question 8 = 5 marks)**

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DO NOT WRITE IN THIS AREA



9 Give **one** quotation from Text A and **one** quotation from Text C that suggest the use of contactless cards has already increased rapidly.

Quotation from Text A

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..... (1)

Quotation from Text C

.....  
..... (1)

**(Total for Question 9 = 2 marks)**

10 Use Text B and Text C to answer this question.

Explain how these texts have similar ideas about problems that can occur when using cards.

Give examples from **both** texts to support your answer.

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**(Total for Question 10 = 5 marks)**

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DO NOT WRITE IN THIS AREA



**11** You are preparing a talk about shopping and want to know where people use contactless cards.

Which text is the **most** useful when preparing your talk?

Give **one** reason for your choice and **one** example to support your answer.

Text ..... (1)

Reason ..... (1)

Example ..... (1)

**(Total for Question 11 = 3 marks)**

**12** You already use a contactless card and want to know about other new ways of making payments that might be available in the future.

Identify **one** piece of evidence from **each** of the three texts which tells you about new ways of making payments that might be available in the future.

Text A ..... (1)

Text B ..... (1)

Text C ..... (1)

**(Total for Question 12 = 3 marks)**



Answer question 13 with a cross in the box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

13 Which statement below is an accurate summary of points made in the texts?

- A Texts A and B both give detailed statistics on card use.
- B Texts B and C both give advantages of spending cash.
- C Texts B and C both give benefits of banking online.
- D Texts A and C both give ideas on how to manage your money.

(Total for Question 13 = 1 mark)

TOTAL FOR PAPER = 30 MARKS

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