

Mark Scheme (Results)

Summer 2010

IGCSE

IGCSE BUSINESS STUDIES (4330) Paper 1F

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Question Number	Answer	Mark
1(a) A01	(i) C (ii) D (iii) A (iv) B (v) B	5

Question Number	Answer	Mark
1(b)(i) A01	<ul style="list-style-type: none"> • market segment refers to a specific part of the total market/different groups of consumers • market share refers to the size of a business's involvement in its market 	2

Question Number	Answer	Mark
1(b)(ii) A01	<ul style="list-style-type: none"> • price reductions • gifts • point of sale • after sales • free samples • competitions 	2

Question Number	Answer	Mark
1(c)(i) A01	<ul style="list-style-type: none"> • a situation where unit costs fall - as output increases 	2

Question Number	Answer	Mark
1(c)(ii) A03	<ul style="list-style-type: none"> • different departments • under the control of a specialist • growing in size 	1

Question Number	Answer	Mark
1(d)(i) A02	<ul style="list-style-type: none"> • easier to borrow money - due to larger size - means less time waiting/cheaper rates 	3

Question Number	Answer	Mark
1(d)(ii) A02	<ul style="list-style-type: none"> • specialist knowledge - more efficient work - improved output/more satisfied customers 	3

Question Number	Answer	Mark
1(e) A01	<ul style="list-style-type: none"> • keeping stocks to a minimum - by having replacement stock arriving just at the point it is required 	2

Question Number	Answer	Mark
2(a) A03 A02 A03	(i) February (ii) 65 (iii) Piano	3

• Question • Number	• Answer	• Mark
<ul style="list-style-type: none"> • 2(b) • A03 = 3 • • A04 = 3 	<ul style="list-style-type: none"> • • <u>keyboards</u> up from 15 in Jan to 30 in April - an increase of 5 each month - they were the worst seller and are now the best seller • <u>piano</u> sales are steady at 25 per month - however, no sign of any increase/was best seller now only second best • <u>organ</u> sales have fallen from 20 in Jan to 15 in April - now worst seller/sales well below the other two instruments • 	<ul style="list-style-type: none"> • • • • • • • 6

Question Number	Answer	Mark
2(c)(i) A02	<ul style="list-style-type: none"> • costing - to plan product costs • budgeting - to plan/forecast future expenditure and income • cash flow - paperwork/collection • manage payments - invoices - wages 	4

Question Number	Answer	Mark
2(c)(ii) A01	<ul style="list-style-type: none"> • P&L calculates profit/profitability - balance sheet shows liquidity/owned and owed • P&L shows financial performance - balance sheet shows financial position 	2

Question Number	Answer	Mark
2(c)(iii) A02	<ul style="list-style-type: none"> • Marketing • Sales • Personnel (HR) 	

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Question Number	Answer	Mark
2(d) A04	<ul style="list-style-type: none">• <i>HH Ltd</i> offers limited liability - <i>Keitel's/a</i> partnership does not - investment in <i>HH Ltd</i> risks losing only what has been agreed as the amount to invest - investment in <i>Keitel's/a</i> partnership risks losing personal possessions to repay business debts	4

Question Number	Answer	Mark
3(a)(i) A01	<ul style="list-style-type: none"> • fixed costs do not change as output/production changes • variable costs change in proportion to output/production changes 	2

Question Number	Answer	Mark
3(a)(ii) A02	variable cost for <i>HH Ltd</i> = <ul style="list-style-type: none"> • production materials • piecework wages 	2

Question Number	Answer	Mark
3(b)(i) A02	250 output £25 000 revenue (accept £24 500)	2

Question Number	Answer	Mark
3(b)(ii) A03	(200 output) a loss - of £4 000 (accept £3 500) (400 output) a profit - of £12 000(accept £13 000)	4

Question Number	Answer	Mark
3(c)	<ul style="list-style-type: none"> • number sold/total sales/turnover • profits • consumer reaction/satisfaction 	3

Question Number	Answer	Mark
3(d) A01	<ul style="list-style-type: none"> • (cost-plus) total costs calculated - profit element/markup added • (competition) review competitor prices - price near/at this level 	4

Question Number	Answer	Mark
3(e) A04	<ul style="list-style-type: none"> • Yes because - the mark up covers all costs - and will guarantee a profit on each one sold • No because - competitor prices are ignored - which might make the price unrealistic or uncompetitive 	3

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