| Centre<br>No.      |  |  |  |  |  | Paper Reference |   |   | Surname | Initial(s) |   |   |           |  |
|--------------------|--|--|--|--|--|-----------------|---|---|---------|------------|---|---|-----------|--|
| Candidate<br>No.   |  |  |  |  |  | 4               | 3 | 4 | 0       | /          | 1 | F | Signature |  |
| Paper Reference(s) |  |  |  |  |  |                 |   |   |         |            |   |   |           |  |

4340/1F

# **London Examinations IGCSE**

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|                     |           |          |  |  |  |

Question

1

2

3

### Commerce

Paper 1F

## **Foundation Tier**

Monday 16 November 2009 – Afternoon

Time: 1 hour 30 minutes

| Materials required for examination | Items included with question papers |
|------------------------------------|-------------------------------------|
| Calculator                         | Nil                                 |

#### **Instructions to Candidates**

In the boxes above, write your centre number, candidate number, your surname, initial(s) and signature.

Check that you have the correct question paper.

Answer ALL the questions. Write your answers in the spaces provided in this question paper.

#### **Information for Candidates**

The marks for individual questions and the parts of questions are shown in round brackets: e.g. (2). There are 3 questions in this question paper. The total mark for this paper is 80. There are 12 pages in this question paper. Any blank pages are indicated. You may use a calculator.

#### **Advice to Candidates**

You will be assessed on your ability to organise and present information, ideas, descriptions and arguments clearly and logically, including your use of grammar, punctuation and spelling. You are advised to spend an equal amount of time, about 30 minutes, on each question.

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Turn over

**Total** 



#### **Answer ALL questions**

1. Many people now use Internet banking. Below is shown an extract from an Internet banking statement.

Study the Internet bank statement, and use it to answer the questions that follow.



INTERNET ACCOUNT STATEMENT Page: 1 of 1

JOHN JONES 1643 DUNDAS ST W APT 27 TORONTO ON M6K 1V2

| Statement period        | Account no.     |
|-------------------------|-----------------|
| 1 April – 30 April 2010 | 00005-123-456-7 |

| Date     | Description                       | Ref. | Withdrawals | Deposits | Balance |
|----------|-----------------------------------|------|-------------|----------|---------|
| 1 April  | Previous balance                  |      |             |          | 0.55    |
| 2 April  | Payroll Deposit – HOTEL           |      |             | 694.81   | 695.36  |
| 3 April  | Web Bill Payment – MASTERCARD     | 9685 | 200.00      |          | 495.36  |
| 4 April  | ATM Withdrawal                    | 3990 | 21.25       |          | 474.11  |
| 4 April  | Fees – Interac                    |      | 1.50        |          | 472.61  |
| 5 April  | Interac Purchase – ELECTRONICS    | 1975 | 2.99        |          | 469.62  |
| 6 April  | Web Bill Payment – AMEX           | 3314 | 300.00      |          | 169.62  |
| 7 April  | ATM Withdrawal – FIRST BANK       | 0064 | 100.00      |          | 69.62   |
| 11 April | Interac Purchase – SUPERMARKET    | 1569 | 29.08       |          | 40.54   |
| 12 April | Interac Refund – ELECTRONICS      | 1975 |             | 2.99     | 43.53   |
| 15 April | Telephone Bill Payment – VISA     | 2475 | 6.77        |          | 36.76   |
| 18 April | Payroll Deposit – HOTEL           |      |             | 694.81   | 731.57  |
| 21 April | Web Funds Transfer – From SAVINGS | 2620 |             | 50.00    | 781.57  |
| 22 April | Pre-Auth. Payment – INSURANCE     |      | 33.55       |          | 748.02  |
| 23 April | Cheque No. – 409                  |      | 100.00      |          | 648.02  |
| 26 April | Mortgage Payment                  |      | 710.49      |          | -62.47  |
| 29 April | Fees – Overdraft                  |      | 5.00        |          | -67.47  |
| 30 April | Fees – Monthly                    |      | 25.00       |          |         |
|          |                                   |      |             |          |         |
|          | ***Totals***                      |      | 1,535.63    | 1,442.61 |         |



| (a) | (i)   | What is the name of the bank customer?              |     |
|-----|-------|---|-----|
|     | (ii)  | ) Identify the sender of the bank statement.        | (1) |
|     | (iii) | i) Explain the entry on 15 April 2010               | (1) |
|     |       |   |     |
|     |       |   | (3) |
|     | (iv)  | How much is in the account on 3 April 2010          |     |
|     | (v)   | What is the balance of the account on 30 April 2010 | (1) |
|     |       |   | (1) |

| (i)   | Cheque                                      |  |
|-------|---|--|
|       |   |  |
|       |   |  |
|       |   |  |
|       |   |  |
| (ii)  | Standing order                              |  |
|       |   |  |
|       |   |  |
|       |   |  |
|       |   |  |
| (iii) | Direct Debit                                |  |
|       |   |  |
|       |   |  |
|       |   |  |
|       |   |  |
| ·     |   |  |
|       | cuss the advantages of Internet banking to: |  |
| (1)   | the customer                                |  |
|       |   |  |
|       |   |  |
|       |   |  |
|       |   |  |





| 2. | Buying  | and selling between traders and their customers is often on credit. |
|----|---------|---|
|    | (a) (i) | Describe <b>two</b> advantages to the customer of obtaining credit. |
|    |         |   |
|    |         |   |
|    |         |   |
|    |         |   |
|    |         | (4)   |
|    | (ii)    | Why do traders allow their customers to buy on credit?              |
|    |         |   |
|    |         |   |
|    |         |   |
|    |         |   |
|    |         | (3)   |

During the course of a commercial transaction, the following invoice was issued.

**INVOICE** 

TANY TRADING PTE LTD (Wholesalers) Western Boulevard Singapore 569321

The Lee Department Store Beach Road Singapore 532614

30th November 2010

No 3419

Terms: 5% one week, 2½% one month

Order No 6541

| Cat. No. | Qty | Description             | Unit Price | Total |
|----------|-----|-------------------------|------------|-------|
|          |     |                         | \$         | \$    |
| 631      | 20  | Ladies' silk blouses    | 13         | 260   |
| 642      | 20  | Ladies' silk scarves    | 5          | 100   |
| 426      | 20  | Men's sports shirts     | 12         | (i)   |
| 461      | 20  | Silk ties               | 15         | (ii)  |
|          |     |                         |            | 900   |
|          |     | Less 20% trade discount |            | (iii) |
|          |     | Total                   |            | (iv)  |
| E & O    | Е   |                         |            |       |

Study the invoice, and use it to answer the questions that follow.

| (b) | (i)  | Complete (i) to (iv) in the total column on the invoice above.                    | (4)   |
|-----|------|---|-------|
|     | (ii) | State <b>two</b> reasons why trade discount is given to the Lee Department Store. |       |
|     |      |   |       |
|     |      |   | ••••• |
|     |      |   | ••••• |
|     |      |   |       |

| Leave |  |
|-------|--|
| blank |  |

| Calculate the cash discount if Lee Department Store pays the outstanding bala on this invoice within 7 days. | nce  |
|--|------|
|  |      |
|  | (2)  |
| State <b>two</b> reasons why the buyer might delay payment rather than accept terms offered.                 | the  |
|  | •••• |
|  |      |
|  | (2)  |
| Outline <b>one</b> method of communication that the seller could use to send invoice to the customer.        | this |
|  |      |
|  |      |
|  | (3)  |

| What actions might Lee I | Department Store and Tany Trading take in this situation? |
|--------------------------|---|
|                          | - spinous access man analy command man and accommend      |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          |   |
|                          | (5)   |
|                          |   |
|                          | (Total 25 manks)  |
|                          | (Total 25 marks)  |

3. The following pictures show two methods of transporting goods in international trade.

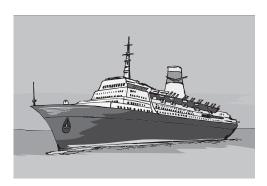




Image A

Image B

Using the pictures, answer the following questions.

| (a) | (i)   | Name <b>two</b> products likely to be carried by the transport shown in picture A.  |
|-----|-------|---|
|     |       |   |
|     |       |   |
|     |       | (2)   |
|     | (ii)  | Using an example, state how the transport labelled B would be used in your country. |
|     |       |   |
|     |       |   |
|     |       | (2)   |
|     | (iii) | What is meant by international trade?   |
|     |       |   |
|     |       |   |
|     |       | (2)   |

| , | Discuss how air transport has developed over the past 50 years.                  |           |
|---|--|-----------|
|   |  |           |
|   |  |           |
|   |  | • • • • • |
|   |  |           |
|   |  |           |
|   |  |           |
|   |  | ••••      |
|   |  | ••••      |
|   |  |           |
|   |  | (         |
|   | Analyse why some goods are more suitable for transport by sea rather than by a   | ir.       |
|   | Analyse why some goods are more suitable for transport by sea rather than by an  | ir.<br>   |
|   |  | ir.<br>   |
|   | Analyse why some goods are more suitable for transport by sea rather than by an  | ir.<br>   |
|   | Analyse why some goods are more suitable for transport by sea rather than by an  | ir.<br>   |
|   | Analyse why some goods are more suitable for transport by sea rather than by an  |           |
|   | Analyse why some goods are more suitable for transport by sea famer than by an   |           |
|   | Analyse why some goods are more suitable for transport by sea rather than by an  | ir.       |
|   | Analyse why some goods are more suitable for transport by sea rather than by an  | ir.       |
|   | Analyse why some goods are more suitable for transport by sea rather than by a   | ir.       |
|   | Analyse willy some goods are more suitable for transport by sea rather than by a |           |

| Explain the benefits of interest |                           |
|----------------------------------|---------------------------|
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  | (7)                       |
|                                  | (Total 25 marks)          |
|                                  | TOTAL FOR PAPER: 80 MARKS |
|                                  | END                       |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |
|                                  |                           |