

Mark Scheme (Results)

Summer 2010

IGCSE

IGCSE COMMERCE (4340) Paper 03

Edexcel is one of the leading examining and awarding bodies in the UK and throughout the world. We provide a wide range of qualifications including academic, vocational, occupational and specific programmes for employers.

Through a network of UK and overseas offices, Edexcel's centres receive the support they need to help them deliver their education and training programmes to learners.

For further information please call our Customer Services on + 44 1204 770 696, or visit our website at www.edexcel.com.

If you have any subject specific questions about the content of this Mark Scheme that require the help of a subject specialist, you may find our **Ask The Expert** email service helpful.

Ask The Expert can be accessed online at the following link:

<http://www.edexcel.com/Aboutus/contact-us/>

Alternatively, you can speak directly to a subject specialist at Edexcel on our dedicated **subject*** telephone line: 0207 190 5329

(If you are calling from outside the UK please dial + 44 1204 770 696 and state that you would like to speak to the **subject*** subject specialist).

Summer 2010

Publications Code UG024207

All the material in this publication is copyright
© Edexcel Ltd 2010

Question Number	Answer	Mark
1	<ul style="list-style-type: none"> • best investment (1) • for £500 000 (1) 	(2)

Question Number	Answer	Mark
2(a) (i)	<ul style="list-style-type: none"> • Money received/charged (1) • When money is saved/lent out (1) 	(2)

Question Number	Answer	Mark
2(a) (ii)	<ul style="list-style-type: none"> • Sum of money earned (1) • For sales made (1) 	(2)

Question Number	Answer	Mark
2(b)	<ul style="list-style-type: none"> • 6% of £200 000 (1) • £12 000 (1) • £4800 tax paid (1) • £7200 net amount (1) <p>apply OFR</p>	(4)

Question Number	Answer	Mark
2(c)	<ul style="list-style-type: none"> • difference between price paid for share and price received when sold (2) • appropriate example with a calculations (2) 	(4)

Question Number	Answer	Mark
3	<p>Example 1 - Savings in a bank</p> <p>Advantages:</p> <ul style="list-style-type: none"> • interest received • depending on time period/amount • low risk <p>Disadvantages:</p> <ul style="list-style-type: none"> • limited return • capital loses value over time <p>Example 2 - Money Market</p> <p>Advantages:</p> <ul style="list-style-type: none"> • low risk • steady income • higher return than most deposits <p>Disadvantages:</p> <ul style="list-style-type: none"> • large minimum sum • rate of interest varies <p>Example 3 - House prices</p> <p>Advantages:</p> <ul style="list-style-type: none"> • capital gain • not timed (unless second home) • medium/long term rise <p>Disadvantages:</p> <ul style="list-style-type: none"> • short term risk • negative equity possible • costs of purchase 	(18)

Question Number	Answer	Mark
4	<p>Two marks for each valid reason which justifies the choice.</p> <p>eg</p> <ul style="list-style-type: none"> • reasoned decision regarding one or more investments • depends on client's aims/intentions • consideration of tax position • recognition of difference between gross & net income • awareness of short and long term differences • comparisons with other choices 	(8)

Further copies of this publication are available from
International Regional Offices at www.edexcel.com/international

For more information on Edexcel qualifications, please visit www.edexcel.com
Alternatively, you can contact Customer Services at www.edexcel.com/ask or on + 44 1204 770 696

Edexcel Limited. Registered in England and Wales no.4496750
Registered Office: One90 High Holborn, London, WC1V 7BH