

Centre No.						Paper Reference						Surname	Initial(s)	
Candidate No.						7	1	0	0	/	1	B	Signature	

Paper Reference(s)

7100/1B

London Examinations GCE

Commerce

Ordinary Level

Monday 12 May 2008 – Morning

Time: 1 hour

Examiner's use only

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Team Leader's use only

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HA001442960

Materials required for examination

Nil

Items included with question papers

Nil

7100/1A

Question Number	Leave Blank
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
Total for Section A	

Instructions to Candidates

Indicate which question you are answering by marking the box (☒).

If you change your mind, put a line through the box (☒) and then indicate your new question with a cross (☒).

This paper has two parts: 7100/1A and 7100/1B.

In Paper 7100/1A, answer ALL questions in the spaces provided.

In Paper 7100/1B, answer TWO questions in the spaces provided.

Information for Candidates

The marks for individual questions and the parts of questions are shown in round brackets: e.g. (2).

There are 4 questions in this question paper. The total mark for Paper 7100/1A is 60 and 40 for this Paper 7100/1B.

There are 16 pages in this question paper. Any blank pages are indicated.

Paper 7100/1A carries 60% of the total marks and Paper 7100/1B carries 40%.

Advice to Candidates

Write your answers neatly and in good English.

In Paper 7100/1B organise your material and present your ideas in a clear and logical form.

Calculators may be used.

7100/1B

Question Number	Leave Blank
1	
2	
3	
4	
Total for Section B	

Total for Question Paper	
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Turn over

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SECTION B

Answer TWO questions only from this section.

You are advised to spend approximately 60 minutes answering the two questions from this section.

**Put a cross in the box indicating the question that you have chosen (⊗).
If you change your mind, put a line through the box (⊗) and then put a cross in the other box (⊗).**

Chosen Question Number: **Question 1**

1. A small retail shop selling food and general household goods has falling sales and profits. The shop is situated near to a supermarket which opened two years ago.

(a) Identify **two** ways by which the owner of the retail shop could advertise to attract new customers.

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(2)



(b) How could a change to a self-service layout in the retail shop help to improve profit?

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(6)



(c) Analyse why supermarkets are popular with shoppers.

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(d) Why are small retail shops not likely to be replaced by larger retail shops?

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(6)

(Total 20 marks)

Q1

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Chosen Question Number: **Question 2**

2. Mr Zazini has recently purchased a car for £10 000.

(a) Name **two** different types of motor vehicle insurance.

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(2)

(b) What steps would Mr Zazini take to obtain insurance cover?

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(c) Discuss the importance of ensuring that full and accurate information is given to the insurance company when seeking insurance.

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(6)



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Six months after Mr Zazini bought his car, it is involved in an accident. Mr Zazini claims £10000 from his insurance company.

(d) Explain why the insurance company may not pay the £10 000 claimed by Mr Zazini.

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(6)


Q2

(Total 20 marks)



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Chosen Question Number: **Question 3** 

3. Mrs Goma buys most of her goods using different types of credit.

(a) Name **two** types of credit which would be available to Mrs Goma.

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(2)

(b) Why does Mrs Goma prefer buying goods on credit?

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(c) Explain the most suitable type of credit for Mrs Goma when purchasing each of the following:

(i) a small refrigerator costing £50

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(ii) a new kitchen costing £9 000.

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(d) Assess the risks to Mrs Goma from buying too many goods on credit.

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(Total 20 marks)

Q3

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Chosen Question Number: **Question 4**

4. Most goods traded between countries are transported by sea and air.

(a) Identify **two** different types of goods most likely to be transported by air.

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(2)

(b) Explain the important ways in which air transport has developed over the past 50 years.

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(c) Analyse why some goods are more suitable for transport by sea rather than by air.

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(d) Explain why transport is important to trade.

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Q4

(Total 20 marks)

TOTAL FOR SECTION B: 40 MARKS

END

