

COMMERCIAL STUDIES

GCE Ordinary Level

Paper 7101/01

Elements of Commerce

General comments

Candidates, on the whole, were well prepared for this examination and there seemed to be a slight improvement in standards achieved over previous years.

Candidates are reminded to read the questions carefully to ensure they understand what is required in the answer, particularly in **Section A** where they have a choice of questions.

Candidates are reminded of the need to keep up to date with developments in the world of commerce, particularly as regards the increased use of computers and information technology in general. This has had, and will continue to have, a substantial impact on all aspects of trade and aids to trade.

Comments on specific questions

Question 1

For the definition required in **(a)** a simple statement to the effect that trade referred to buying and selling was all that was required. Some candidates attempted to write at length despite the fact that this part of the question was worth only two marks.

A number of candidates did not appreciate that the question related to the omission of the retailer and wholesaler and instead wrote at great length about the role of these aspects of distribution.

Whilst most candidates could name two postal services, descriptions were often rather vague. Instead of choosing ordinary post, of which little could be written, candidates would have been better advised to choose some of the speedy or secure methods. Some candidates wrote about fax, which is not a postal service.

Whilst most candidates knew something of e-mail, knowledge was generally rather superficial.

Question 2

As expected, all candidates have a good knowledge of transport. Some excellent answers were given using the in-depth knowledge acquired and showing the ability to apply that knowledge.

Question 3

Candidates, on the whole, lacked the precise knowledge needed to answer parts of this question. Many confused turnover with profit or with rate of turnover. Few were able to show how turnover related to net profit.

Most candidates were able to explain the difference between loans and overdrafts and could describe the advantages and disadvantages of a partnership. However, not all candidates knew the correct term 'Partnership Deed' and had only a vague idea of what might be included in such a document, apart from the names of partners.

Weaker candidates made the mistake of referring to partners as shareholders.

Question 4

Almost all candidates who chose to answer this question understood imports and exports. Unfortunately a number of candidates wrote about the role of Customs Authorities rather than explaining Customs Duties.

A number of candidates confused a Bill of Lading with a Bill of Exchange. There was a distinct lack of knowledge of the functions of a Bill of Lading and of the types of information contained therein.

Disappointingly, few candidates scored maximum marks in **(c)** and **(d)**. Whilst candidates mentioned what was contained in an invoice and a statement of account, they were not always able to describe the functions of these documents. Many candidates merely stated that a credit note was used when there had been an overcharge.

Question 5

Whilst there were some good answers to **(a)**, weaker candidates did not relate their answers to the scenario and erroneously chose television and radio as suitable methods of advertising. Those who suggested advertising in newspapers seldom mentioned that these should be local rather than national newspapers. Some candidates confused types with methods of advertising and suggested the restaurant could be advertised using informative and persuasive advertisements.

Whilst most candidates displayed a reasonable knowledge of insurance, few were able to give good answers to **(d)** writing, instead, about indemnity.

Question 6

Whilst most candidates recognised and wrote about the night safe, some candidates confused it with ATMs and suggested it was where one could obtain cash after the banks had closed. Others confused it with a safety deposit box.

Few candidates wrote in sufficient detail about what happens to cash deposited in a night safe.

Whilst most candidates recognised standing orders and direct debits they were not always able to differentiate between these two forms of payment. Only the better candidates referred to the fact that standing orders were used for regular payments of fixed amounts whereas direct debits could be used when the amount and frequency of payment varied.

Candidates were not always conversant with Internet and telephone banking. Some candidates suggested that telephone banking was used to pay the telephone bill.

Question 7

Candidates are reminded that, in stimulus response questions, they should firstly familiarise themselves with the stimulus provided and then use it in their answers wherever possible.

Candidates had little difficulty with **(a)** and **(b)** and were able to give reasonably good descriptions of the features of supermarkets and department stores.

The main disadvantages given for supermarkets was the long queues at checkouts.

A number of candidates had difficulty with **(e)** of the question. They did not always appreciate they were asked to write about the High Street shops and instead they wrote about the advantages and disadvantages of shopping centres.

General comments

In most cases, candidates had been well prepared for the examination, and all candidates attempted the full number of questions required.

The candidates who did best in the examination were those who wrote down all of their calculations that led to the final answer. Those candidates who wrote down final answers only were in the minority and tended to penalise themselves by not earning intermediate method marks where a slip had produced a final incorrect answer.

Comments on specific questions**Question 1**

- (a) Most candidates gained full marks on this part.
- (b) Some candidates used 100, instead of 1000, for the number of grams in a kilogram.
- (c) Most candidates knew to divide 133 by $\frac{5}{8}$, but often the answer was left as 212.8 instead of being rounded to 213.

Question 2

- (a) This question was generally answered correctly.
- (b) Many candidates did not understand 'each hour or part hour' and thus worked out $\$2.40 + 3\frac{1}{3} \times 80c$ instead of $\$2.40 + 4 \times 80c$.
- (c) This question was generally answered correctly.

Question 3

- (a) Many candidates worked out the total interest correctly, but divided this by 36 to obtain the final answer instead of first adding on the amount borrowed.
- (b) This question was well answered. There were those candidates however, who added $\pounds 144 + \pounds 38.06 + 17\frac{1}{2} = \pounds 199.56$, taking the percentage as an amount of money.

Question 4

- (a) This question was not answered well. The common wrong answer was $\frac{3}{4}\%$ of 58100 = 435.75, candidates not appreciating the principle behind the pricing structure.
- (b)(i) Here again, few candidates saw that they had to use the fraction $\frac{100}{140}$ to calculate the cost price of a towel.
- (ii) Subsequently, these candidates were unsuccessful with this question as well.

Question 5

- (a)(i) Nearly every candidate scored full marks on this question.
- (ii) Those candidates who used the fraction $\frac{14}{6}$ scored full marks, as did those who found $\frac{1}{14}$ by dividing 13200 by 6, then separately finding B and C's share and then adding all three shares.
- (b)(i) This question was answered badly, candidates failing to find the amount of depreciation before writing a fraction to be multiplied by 100.
- (ii) Most knew to divide 17650 by 1.54 (not to multiply the two) but many gave the answer as £11461 instead of rounding £11461.039 to £11461.04.

Question 6

- (a) This question was well answered, although a minority calculated $17\frac{1}{2}\%$ of £2960 as the discount instead of separating the two discounts correctly, i.e. 15% of £2960, followed by $2\frac{1}{2}\%$ of £2516.
- (b) This question was not well answered, many candidates seeming to be confused about the need to calculate gross profit before subtracting overheads.

Question 7

- (a) All but a very few candidates scored full marks in this question.
- (b)(i)(ii) Many candidates stated the names of months for these questions rather than a numerical value of 10 for part (i), and 11 for part (ii).
- (c) What was required here was to calculate the total for the full year, 12×13 , and then subtract the total sold in the first eleven months (132) but relatively few candidates did this.

Question 8

- (a) This was usually well answered, although some candidates subtracted rather than added commission to find the full cost.
- (b) Again, there was confusion about the status of the commission, this time many candidates adding it instead of subtracting it from the sale price.

Question 9

- (a) Compound interest was a topic that all but the weakest candidates could deal with correctly.
- (b) Here again, the principle behind the question seemed to be well understood by those candidates choosing to answer the question and the majority scored full marks.

Question 10

This was the least popular question.

- (a) The common (wrong) approach was to calculate $£4390 \div 9.8p$ and $£3697 \div 10.02p$ and hope for the best thereafter.
- (b) Few candidates calculated total costs, i.e. $250000 \times (10.02 + 12.4)p$, and subtracted that answer from total sales.

Question 11

Those who chose this question generally scored full marks for both parts.

- (a) Some candidates lost marks by omitting to total the two separate elements of the insurance.
- (b) Those choosing the question showed good understanding of the principles involved.

<p>Paper 7101/03 Typewriting</p>
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General comments

Once again the level achieved by candidates varied considerably. Most found the paper within their capabilities and were able to complete all tasks within the time allocated. Many of the points contained in this report were mentioned in the report of the previous examination, with little effect.

The poor state of some of the typewriters may have disadvantaged some candidates. Quite often ribbons needed renewing. The warning bell for the end of the lines was not working on some machines. This caused the piling of characters at the ends of lines.

Candidates are again reminded of the need to concentrate on accuracy and to refrain from over-typing in a vain attempt to correct errors.

Comments on specific questions

Question 1

Timed Speed and Accuracy Test

No candidate was able to complete the whole task in the ten minutes allowed.

Little attention was paid to the instruction not to attempt any corrections; hence many candidates had their work cancelled because it contained over-typing.

Candidates should remember to differentiate between a dash and a hyphenated word. A dash is represented by the hyphen but with a space before and after, unlike the hyphenated word where the hyphen is used without spaces.

Candidates should take more notice of the approach of the end of each line and return the carriage at the appropriate point. If it is necessary to divide a word at the end of the line, the hyphen should be placed at the end of the line, not at the beginning. Divisions should be made between the syllables of the word.

Question 2

Tabulation

Some very good attempts were made at this task.

The main errors were in the alignment of the figures and in the representation of the totals. Candidates are reminded that the underscore should start with the first figure and end with the last and should not cover the £ sign. Similarly, when underscoring headings the line should not project past the first and last letters.

A number of candidates signed and dated the statement. This was not required. Where space has to be left for a signature there should be a double line space.

Question 3

Composition of letter

Some good, mailable letters were produced.

The main weakness was in the inclusion of the necessary information. Weaker candidates tended to copy the items as they appeared in the question. This inevitably led to poor sentence construction and grammatical errors.

Candidates are reminded that the Salutation and Complimentary Close must agree. The date must be included and typed in full.

A number of candidates did not seem to understand that Mr Perkins was going to sign the letter and, instead, made the reservation on his behalf. They often made too many references to “Mr Perkins” and his position in the company.

Question 4

Manuscript

This task was quite well done although very few candidates were able to score high marks for accuracy. Once again, candidates are reminded of the difference between the hyphen used as a dash and a hyphenated word. Many candidates lost the 3 positive marks in this case.

Many candidates typed in one and a half line spacing rather than double.

Candidates are reminded that words, such as “hormone” in this task, may be written in block capitals in the margin to aid legibility. Such words should not be typed in block capitals.

Question 5

Form filling

This task was well done by most candidates. Information was placed in the correct sections but not always typed correctly in relation to the dotted line. Candidates need more practice in the use of the interliner.

Once again, candidates should have noticed from the instructions that the form was to be left for Mrs Patel to sign. The candidate should not have signed on her behalf.

<p>Paper 7101/04 Word Processing</p>
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General comments

A good attempt was made to produce accurate, well-displayed tasks.

Candidates are reminded of the need to learn abbreviations and proof correction signs used in manuscripts. A list of those likely to be included appears in the syllabus.

Candidates should also practise changing font sizes and emboldening since both form parts of most word processing tests.

Comments on specific questions

Question 1

The majority of candidates approached this rather lengthy task with a positive attitude.

Common faults included:

- Producing the word “discerning” in block capitals.
- Not leaving one clear space before and after the dotted line (ellipsis).
- Typing “every one” as one word. In order to show emphasis, two words were required in this instance.
- Underscoring punctuation marks.
- Not leaving a clear line space after shoulder headings.

Weaker candidates often produced the last two lines of the task in block capitals when the marginal instruction referred only to the word “YES”.

Some candidates did not include the name and address at the foot as required.

Candidates are again reminded that where a document extends to two pages a number should be included as a header or footer on the second page.

Question 2

Some well-composed, accurately typed letters were produced. However, too many candidates still neglect to include a satisfactory salutation and complimentary close and to ensure these agree.

Most candidates used the wording given in the question when dealing with the points to be included in the letter. Where they were required to add their own wording, grammar and punctuation was not always of a sufficiently high standard to produce mailable letters.

Question 3

Not all candidates used double line spacing throughout as was the intention, although almost all obeyed the instruction to use double line spacing as instructed for the third paragraph.

Many candidates did not obey the instruction to change the format and type of headings and merely produced layout as in the draft.

Once again candidates are reminded to leave at least one clear line space between headings.

A number of candidates did not right justify the date or used the unacceptable abbreviated form of date.

Question 4

Some well displayed tables were produced.

The main errors were:

- Inability to plan the work vertically. A number of tables were contained within the top half of the page.
- Ignoring the instruction not to rule.
- Not leaving a clear line space after the headings (countries) in Column 1.
- Misreading of the word “Piazza” despite the marginal clarification.

Candidates are reminded that the dash should be represented by a hyphen with a space before it and after it. Consistency is important throughout the task.