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# FOREWORD

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This booklet contains reports written by Examiners on the work of candidates in certain papers. **Its contents are primarily for the information of the subject teachers concerned.**

# COMMERCIAL STUDIES

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## GCE Ordinary Level

<p>Paper 7101/01 Elements of Commerce</p>
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### General comments

The majority of candidates showed a good knowledge of the subject and were able to apply that knowledge to business situations. The weakest answers appeared to be in relation to questions on insurance.

### Comments on specific questions

#### Question 1

This was a popular question. Parts **(a)** and **(b)** were well answered by most candidates.

- (c)** The answers to **(c)** varied. There were some very detailed answers covering the aspects of buying and selling throughout the chain of distribution, with good examples of when and why the various aids to trade were necessary.

Unfortunately, too many candidates merely quoted a few aids to trade, concentrating mainly on the role of transport. These candidates often neglected to mention who did the buying and selling of the chair.

#### Question 2

There were many good descriptions of fax and e-mail and candidates were able to say when and why each method would be used. However, weaker candidates showed no depth of knowledge and often merely suggested both methods were 'fast and cheap'. Candidates are reminded that to state something is 'fast' or 'cheap' scores no marks unless the statement is developed (e.g. faster than....., cheaper than .....) and explained.

- (b)** Although there were some good answers on the use of the Internet in business, this was not well answered. Few candidates wrote about the different software packages available and gave only brief answers such as 'for typing letters' or 'storing documents'. Some candidates made further reference to e-mail in this section which was totally inappropriate.
- (c)** Answers lacked application. Many candidates wrote about the advantages of the telephone in general. The question referred to mobile phones, hence candidates were expected to mention the ability to make contact anywhere and at any time.

#### Question 3

In general, candidates were able to explain the three methods of payment stated in **(a)** although there was some confusion between standing orders and direct debits and between direct debits and credit transfer.

Once again, candidates lost marks by not developing their answers fully.

- (b)** Candidates often neglected to restrict their answers to the deposit account and merely referred to the safe-keeping of money.
- (c)** Although most candidates scored some marks, few full answers were given. Reference to interest charged was vague. Few candidates mentioned the fact that interest on an overdraft is calculated and charged on a daily basis.

**Question 4**

As usual, the topic of retailing is well understood and some good answers were given, particularly to **(b)**. However, candidates are reminded to read the question carefully. Many general answers were given on the importance of packaging when the question asked for specific reference to the importance to the consumer.

Whilst it was obvious most candidates understood the question relating to the small-scale retailer opening in a shopping centre, the answers given were, in general, brief and vague. Some candidates stated that the shop would do more trade, others less trade. Neither statement was worth a mark unless an explanation was given.

**Question 5**

A popular question that was generally well answered. Whilst most candidates had some idea of a bonded warehouse, most found it difficult to explain why it would not be used in this case.

Very few candidates understood the methods of payment used in international trade.

**Question 6**

It was disappointing to see generally weak answers on such an important topic as insurance. Section **(b)** was particularly badly answered.

**Question 7**

Responses to this question varied. Some candidates were unable to identify **(a)(i)** as an example of a limited company. However, the weakest answers were to **(c)(ii)** and **(e)(ii)**.

Whilst candidates understood the advantages to a consumer of shopping in a department store, few could explain the advantages to the owner.

<p><b>Paper 7101/02</b> <b>Arithmetic</b></p>
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**General comments**

The paper was attempted by candidates from the full range of ability and some excellent results were recorded. The standard of presentation of scripts was high with most candidates showing working necessary to arrive at the final answers.

**Comments on specific questions****Section A****Question 1**

- (a)** Candidates need to learn the conversion factor – 1 tonne = 1000kg.
- (b)** Some few candidates calculated compound interest instead of simple interest.
- (c)** Rounding to the nearest cent caused problems, a common incorrect answer being \$7.80 instead of \$7.78.

**Question 2**

The great majority of candidates scored full marks on this question.

**Question 3**

- (a) The common incorrect answer was to calculate  $\frac{9}{18}$  of \$12 000 for Y and  $\frac{5}{18}$  of \$12 000 for Z.
- (b) Many quoted letters instead of numbers for mode and median but mean was generally correct.

**Question 4**

- (a) The concept of so much in the dollar above a certain amount was a difficulty for many candidates.
- (b)(i) This part was well answered.
- (ii) However, the fraction  $\frac{100}{70}$  required to answer this part eluded most candidates.

**Question 5**

- (a) Several different approaches led to the correct answer but premature rounding spoiled many final answers.
- (b)(i) The correct reading of \$1.426 was often seen.
- (ii) However, the premature rounding of the Day 3 and 4 values led to inaccurate final answers in many cases.

**Question 6**

- (a) Use of the compound interest formula was accurately made but many candidates left the answer as £6 802.44, omitting to subtract £5000 to find the interest, as required by the question.
- (b) The terms 'turnover' and 'overheads' seemed to cause misunderstandings for many candidates.

**Question 7**

- (a)(i) This part was well answered.
- (ii) Many failed to calculate the new selling price before attempting to calculate percentage profit.
- (b) The calculation of sales tax, \$21 minus  $\frac{100}{112}$  of \$21 was rarely achieved.

**Section B**

Whilst **Questions 8** and **9** were the popular choices, **Questions 10** and **11** were attempted by many candidates.

**Question 8**

- (a) This question was frequently answered correctly.
- (b) The common incorrect answer was to calculate \$840 – 16% of \$840 instead of \$840 – 15% of \$840 followed by \$714 – 1% of \$714.

**Question 9**

- (a) The principle of 'equitable date' seems well understood and many correct answers were arrived at.
- (b) Very often, the answer was left as \$22 016, the value of the machinery after 3 years instead of subtracting that figure from \$43 000 to calculate the actual amount of depreciation.

**Question 10**

- (a) There was some difficulty with units which led to answers of £1 236 342 instead of £12 363.42.
- (b) The number of shares bought was frequently calculated as £7000\*140 instead of £7000/140p which led to badly inaccurate answers.

**Question 11**

- (a) Both parts were badly answered with candidates failing to interpret the table correctly.
- (b) This part was well answered, but a failure to complete the calculation of TOTAL premium payable caused several candidates to lose marks.

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

There was a slight improvement in the overall standard this year. Once again, candidates are reminded of the demands of the syllabus in particular the need to be able to type accurately at 25 wpm.

Centres are reminded of the need to provide candidates with suitable equipment on which to perform the tasks set. It would appear that a large number of typewriters are old and in a poor state of repair. Ribbons should be of a quality that will enable clear typescripts to be produced. Where applicable, the ribbon reverse mechanism should be working correctly.

**Comments on specific questions**

**Question 1**

*Timed speed and accuracy test*

Although typing speeds appeared to have increased, very few candidates were able to complete the task in the time allowed.

Whilst the standard of accuracy showed a slight improvement, many candidates still attempt to correct typographical errors, usually by overtyping. This cancels their work hence a large number of candidates received no marks for this question.

**Question 2**

*Tabulation*

This task was generally well done.

The main weaknesses were: omission of the second heading (Bristol) or typing it in block capitals, typing 'Utenio' in block capitals when the draft merely indicated this word in capitals by way of clarification, not leaving sufficient and consistent space between columns.

Some candidates found the e-mail addresses difficult to copy. Candidates are still not giving sufficient attention to the vertical placement of the table.

### Question 3

#### *Composition of letter*

The display of the letter was quite good although a number of candidates misplaced the addresses.

The salutation and complimentary close was often omitted or used inappropriately.

Although candidates generally included all the relevant points, the standard of English was often weak and rendered many letters unmailable.

### Question 4

#### *Manuscript*

Few candidates had difficulty with this task and were able to make the marginal corrections indicated.

The main weakness was in typographical accuracy. Many candidates lost all the accuracy marks for this task.

### Question 5

#### *Form filling*

This was well done by most candidates. All relevant information was included in the correct places.

More practice is needed in the use of the interliner since many candidates lost the mark for horizontal alignment.

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

Some well-displayed, accurate work was produced. It would appear that candidates are taking more care with proofreading. The standard of accuracy showed an improvement. There were few really poor scripts. Candidates are reminded to pay particular attention to the layout of letters and memoranda.

### Comments on specific questions

#### Question 1

Most candidates showed a good knowledge of proof correction signs and abbreviations used in manuscript. Candidates are reminded that the underscore should not extend to the final punctuation mark. Most candidates lost an accuracy mark by underscoring the question mark in the heading. Another common error was to omit the brackets around the insertion in the paragraph headed 'HOTELS'. Candidates are reminded of the need for consistency in the layout of shoulder headings. When using double line spacing an extra clear line space should be left between block paragraphs. In the last four lines of this task there was an opportunity for candidates to use a variety of display and emphasis formats. Sadly, a number of candidates merely typed all the information in centralised bold capitals.

#### Question 2

There was some improvement in composition; however candidates still need to improve their English grammar in order to achieve mailable letters. For instance, some candidates began the letter in the first person singular 'I' and then changed to 'we'. All relevant points were incorporated but care needs to be taken in the choice of salutation and complimentary close and, where necessary, an indication needs to show that enclosures accompany the letter. Some candidates changed the title 'Ms' to 'Miss'.

**Question 3**

Although showing an improvement on previous years, the acceptable layout for a memorandum needs further study. Again, consistency is important. This was lacking in the presentation of the two names 'Managing Director' and 'Branch Managers'. Some candidates typed one name in all lower case and the other with an initial capital letter.

**Question 4**

In general, well-displayed, correctly ruled tables were produced. The main weakness was in the transposition. Some candidates made an incorrect placement or omitted the horizontal line above and below the transposed information. Once again candidates are reminded that the words indicated in block capitals within a rectangle are for clarification and do not have to be produced in block capitals. More care should be taken with vertical placement. Some candidates produced a rather cramped table. Others did not retain the abbreviations as instructed. There was some confusion between blocked and indented layout. Where information within the column is blocked, the columnar heading should be blocked in the same way and not centralised across the column.