

SYLLABUS

**Cambridge O Level
Commercial Studies**

7101

For examination in November 2016

Changes to syllabus for 2016

This syllabus has been updated.

The final examination for Paper 3 Test Processing is November 2015.

For the November 2016 examination series there are two components:

- Paper 1 Elements of Commerce
- Paper 2 Arithmetic

Cambridge International Examinations retains the copyright on all its publications. Registered Centres are permitted to copy material from this booklet for their own internal use. However, we cannot give permission to Centres to photocopy any material that is acknowledged to a third party even for internal use within a Centre.

® IGCSE is the registered trademark of Cambridge International Examinations

© Cambridge International Examinations 2014

Contents

1. Introduction	2
1.1 Why choose Cambridge?	
1.2 Why choose Cambridge O Level?	
1.3 Why choose Cambridge O Level Commercial Studies?	
1.4 How can I find out more?	
2. Teacher support	5
2.1 Support materials	
2.2 Resource lists	
2.3 Training	
3. Assessment at a glance	6
4. Syllabus aims and assessment objectives.....	7
4.1 Syllabus aims	
4.2 Assessment objectives	
5. Syllabus content	8
5.1 Paper 1: Elements of commerce	
5.2 Paper 2: Arithmetic	
6. Resource list.....	11
7. Other information	12

1. Introduction

1.1 Why choose Cambridge?

Recognition

Cambridge International Examinations is the world's largest provider of international education programmes and qualifications for learners aged 5 to 19. We are part of Cambridge Assessment, a department of the University of Cambridge, trusted for excellence in education. Our qualifications are recognised by the world's universities and employers.

Cambridge O Level is internationally recognised by schools, universities and employers as equivalent in demand to Cambridge IGCSE® (International General Certificate of Secondary Education). Learn more at www.cie.org.uk/recognition

Excellence in education

Our mission is to deliver world-class international education through the provision of high-quality curricula, assessment and services.

More than 9000 schools are part of our Cambridge learning community. We support teachers in over 160 countries who offer their learners an international education based on our curricula and leading to our qualifications. Every year, thousands of learners use Cambridge qualifications to gain places at universities around the world.

Our syllabuses are reviewed and updated regularly so that they reflect the latest thinking of international experts and practitioners and take account of the different national contexts in which they are taught.

Cambridge programmes and qualifications are designed to support learners in becoming:

- **confident** in working with information and ideas – their own and those of others
- **responsible** for themselves, responsive to and respectful of others
- **reflective** as learners, developing their ability to learn
- **innovative** and equipped for new and future challenges
- **engaged** intellectually and socially, ready to make a difference.

Support for teachers

A wide range of materials and resources is available to support teachers and learners in Cambridge schools. Resources suit a variety of teaching methods in different international contexts. Through subject discussion forums and training, teachers can access the expert advice they need for teaching our qualifications. More details can be found in Section 2 of this syllabus and at www.cie.org.uk/teachers

Support for exams officers

Exams officers can trust in reliable, efficient administration of exams entries and excellent personal support from our customer services. Learn more at www.cie.org.uk/examsOfficers

Not-for-profit, part of the University of Cambridge

We are a not-for-profit organisation where the needs of the teachers and learners are at the core of what we do. We continually invest in educational research and respond to feedback from our customers in order to improve our qualifications, products and services.

Our systems for managing the provision of international qualifications and education programmes for learners aged 5 to 19 are certified as meeting the internationally recognised standard for quality management, ISO 9001:2008. Learn more at www.cie.org.uk/ISO9001

1.2 Why choose Cambridge O Level?

Cambridge O Levels have been designed for an international audience and are sensitive to the needs of different countries. These qualifications are designed for learners whose first language may not be English and this is acknowledged throughout the examination process. The Cambridge O Level syllabus also allows teaching to be placed in a localised context, making it relevant in varying regions.

Our aim is to balance knowledge, understanding and skills in our programmes and qualifications to enable candidates to become effective learners and to provide a solid foundation for their continuing educational journey.

Through our professional development courses and our support materials for Cambridge O Levels, we provide the tools to enable teachers to prepare learners to the best of their ability and work with us in the pursuit of excellence in education.

Cambridge O Levels are considered to be an excellent preparation for Cambridge International AS and A Levels, the Cambridge AICE (Advanced International Certificate of Education) Group Award, Cambridge Pre-U, and other education programmes, such as the US Advanced Placement program and the International Baccalaureate Diploma programme. Learn more about Cambridge O Levels at www.cie.org.uk/cambridgesecundary2

Guided learning hours

Cambridge O Level syllabuses are designed on the assumption that learners have about 130 guided learning hours per subject over the duration of the course, but this is for guidance only. The number of hours required to gain the qualification may vary according to local curricular practice and the learners' prior experience of the subject.

1.3 Why choose Cambridge O Level Commercial Studies?

Cambridge O Levels are established qualifications that keep pace with educational developments and trends. The Cambridge O Level curriculum places emphasis on broad and balanced study across a wide range of subject areas.

Cambridge O Level Commercial Studies is accepted by universities and employers as proof of knowledge and understanding. The Cambridge O Level Commercial Studies syllabus offers an ideal introduction to commercial activities and considers ways in which these are influenced by changes in the wider business environment.

Candidates study:

- The purpose and function of important commercial activities.
- The main types of commercial institutions.
- Relevant language, concepts and decision-making procedures.

The importance of commercial communication and documentation is examined, as is the nature and significance of innovation and change.

As part of their studies, candidates develop key skills in arithmetic and statistics for use in a commercial context (such as profit and loss, interest, foreign exchange, discount, commission and depreciation).

Prior learning

Candidates beginning this course are not expected to have studied Commercial Studies or Commerce previously.

Progression

Cambridge O Levels are general qualifications that enable candidates to progress either directly to employment, or to proceed to further qualifications.

1.4 How can I find out more?

If you are already a Cambridge school

You can make entries for this qualification through your usual channels. If you have any questions, please contact us at **info@cie.org.uk**

If you are not yet a Cambridge school

Learn about the benefits of becoming a Cambridge school at **www.cie.org.uk/startcambridge**. Email us at **info@cie.org.uk** to find out how your organisation can register to become a Cambridge school.

2. Teacher support

2.1 Support materials

Cambridge syllabuses, past question papers and examiner reports to cover the last examination series are on the *Syllabus and Support Materials* DVD, which we send to all Cambridge schools.

You can also go to our public website at www.cie.org.uk/olevel to download current and future syllabuses together with specimen papers or past question papers and examiner reports from one series.

For teachers at registered Cambridge schools a range of additional support materials for specific syllabuses is available online from Teacher Support, our secure online support for Cambridge teachers. Go to <http://teachers.cie.org.uk> (username and password required).

2.2 Resource lists

We work with publishers providing a range of resources for our syllabuses including textbooks, websites, CDs, etc. Any endorsed, recommended and suggested resources are listed on both our public website and on Teacher Support.

The resource lists can be filtered to show all resources or just those which are endorsed or recommended by Cambridge. Resources endorsed by Cambridge go through a detailed quality assurance process and are written to align closely with the Cambridge syllabus they support.

2.3 Training

We offer a range of support activities for teachers to ensure they have the relevant knowledge and skills to deliver our qualifications. See www.cie.org.uk/events for further information.

3. Assessment at a glance

Candidates must take Paper 1 and Paper 2.

Paper 1: Elements of commerce

2 hours

This paper contains two sections.

Section A: This section is worth 60% of the total marks for this paper. There are **five** structured questions. Candidates must answer **three**.

Section B: This section is worth 40% of the total marks for this paper. There are **two** stimulus-response questions, **both** of which are compulsory. Questions involving simple calculations may be set.

Total marks available: 100

Weighting: 50% of total marks

Paper 2: Arithmetic

2 hours

This paper contains two sections.

Section A: This section comprises short answer questions. Candidates should answer **all** the questions.

Section B: This section comprises longer questions. Candidates answer any **two** questions.

Total marks available: 100

Weighting: 50% of total marks

Availability

This syllabus is examined in the November examination series.

This syllabus is available to private candidates.

Detailed timetables are available from www.cie.org.uk/examsOfficers

Zones 1, 2 or 6 wishing to enter candidates for Cambridge O Level examinations should contact Cambridge Customer Services.

Combining this with other syllabuses

Candidates can combine this syllabus in an examination series with any other Cambridge syllabus, except:

- syllabuses with the same title at the same level
- 0598 GCSE Commerce
- 7090 Cambridge O Level Commerce
- 7100 Cambridge O Level Commerce

Please note that Cambridge O Level, Cambridge IGCSE and Cambridge International Level 1/Level 2 Certificate syllabuses are at the same level.

4. Syllabus aims and assessment objectives

4.1 Syllabus aims

The syllabus has been designed to provide an *outline* of commercial activities and how these activities are influenced by changes in the wider environment. Its aims are:

- 1 To develop knowledge and understanding of the purposes and functions of important commercial activities.
- 2 To develop knowledge and understanding of the main types of commercial institutions.
- 3 To develop knowledge and understanding of the language, concepts and decision making procedures of commercial activities.
- 4 To develop knowledge and understanding of the importance of commercial communication and documentation.
- 5 To develop knowledge and understanding of the nature and significance of innovation and change within the context of commercial activities.
- 6 To develop the skills of enquiry, interpretation and communication.

In the study of this syllabus, candidates should have the opportunity to visit centres of industry and commerce.

4.2 Assessment objectives

At the end of the course of study, candidates should be able to demonstrate:

Knowledge

- basic principles, techniques and ideas in commerce;
- facts and terms relevant to commerce;
- key features and functions of commercial activities;
- main documents used in commerce.

Comprehension

- understanding of commercial activities and behaviour using appropriate terminology;
- understanding and interpretation of relevant data and information in verbal, numerical and diagrammatical form.

Application

- knowledge and information to situations and problems related to commerce.

Evaluation

- identifying the significant issues in a commercial situation;
- distinguishing between evidence and opinion;
- making reasoned judgements and communicating them in an accurate and logical manner.

5. Syllabus content

5.1 Paper 1: Elements of commerce

The arrangement of the items of the syllabus does not mean that they should necessarily be taught in that order.

Introduction

Commerce is a process of exchange of goods and services to satisfy human wants. Candidates should consider trade and the aids to trade – finance and banking, communications and advertising, transport and warehousing, insurance.

The business unit

- a) *Main forms*: sole trader, partnership, limited company (in outline only): distinguishing features of each with particular reference to ownership, control, liability of owners (both limited and unlimited), provision of capital, distribution of profits. The concept of multinational companies.
- b) The main functions and responsibilities within a business. Organisation charts.

Trade

- a) *Levels of Trade*: Home and International trade – characteristics and purposes.
- b) *Types of Trade*:
 - i) *Retail Trade*:
Function of retailer; types of retailer, large and small; main characteristics; trends in retailing (e.g. after-sales service, barcoding, branding, packaging, 'self-service', shopping centres) and their effects.
 - ii) *Wholesale Trade*:
Wholesale merchant and agents (including brokers and factors): characteristics and functions; trade and cash discounts.
- c) *Main documents used in Home Trade*: quotation, catalogue, order, invoice, debit and credit notes, statement of account, receipt. Key information and functions of each.
- d) *International Trade*: the importance of international trade to the commercial life of a country; the pattern of a country's trade with the rest of the world.

Finance and banking

- a) *Means of payment*: cash (coin and notes), post office facilities; cheques including general and special crossings; credit transfers; credit cards.
- b) *Banking facilities*: services of banks in home and international trade: current and deposit accounts; bank overdrafts and loans.
- c) *Main documents used*: cheque, paying-in slip, bank statement, credit transfer forms, standing order, direct debit, letters of credit. Key information and functions of each.

Communications and advertising

- a) *Method of communication*: oral and written; face-to-face, telephonic, electronic, internal, external; factors affecting choice of method.
- b) *Post Office, Telecoms or other organisations*: services provided; postal guides; telephone directories.
- c) *Equipment used in communications*; e.g. telephone, facsimile machine, computer etc.; range and functions of each.
- d) *Main documents used*: letter, memo, minutes of meeting; agenda, report. Key information and functions of each.
- e) *Advertising*: purposes, types – informative and persuasive; media of advertising – advantages and disadvantages and factors affecting choice of medium.

Transport and warehousing

- a) *Transportation*: characteristics of different methods, and factors affecting choice of method.
- b) *Warehousing*: functions of warehousing, importance to trade, necessity for storage, including its importance in connection with seasonal production and demand.
- c) *Custom Authorities*: functions; excise and customs duties.
- d) *Main documents used*: delivery note, bill of lading, air waybill, packing note, goods received note. Key information and functions of each.

Insurance

- a) Business risks – types; insurable and non-insurable risks.
- b) Contracts of insurance – essential elements, pooling of risk, indemnity, insurable interest, utmost good faith; effecting an insurance policy – outline of procedures, including premiums; effecting a claim.
- c) *Main documents used*: proposal form, policy, cover note. Key information and functions of each.

5.2 Paper 2: Arithmetic

The use of calculators is permitted.

Candidates should be familiar with the British and metric systems of weights and measures and with the following monetary systems: pounds and pence; dollars and cents.

The use of algebraic symbols and methods will be permitted.

Addition, subtraction, multiplication, and division applied to numerical calculations.

Vulgar and decimal fractions, weights and measures.

Proportion and proportional parts, including the distribution of costs and profits.

Percentage, profit and loss, simple interest, including relationship between percentages of cost and sale prices, gross and net profits, trade and cash discount, commission, depreciation. Equation of payments.

Compound interest.

Stocks and shares; dividends and rate of yield (before and after deduction of income tax).

Foreign exchange and arbitrage transactions.

Calculations involving rates and taxes, insurance, freight rates, simple prime and supplementary costs.

Elementary statistics, calculation and practical application of the arithmetic mean, median, mode; the compilation and use of simple index-numbers.

The construction of simple statistical tables and graphs.

Candidates may be required to give results to a specified degree of approximation.

The use of logarithms will be allowed unless forbidden in certain questions.

6. Resource list

Student Support

Author	Title	Date	Publisher	ISBN
A Anderton	<i>GCSE Business Studies</i>	2004	Pearson	9781873929841
D Butler & J Hardy	<i>GCSE Business Studies</i>	2001	OUP	0198328354
M Gane	<i>Commerce Examination Questions Answered</i>		(can be obtained from M Gane, 10 The Gower, Thorpe, Egham, Surrey, TW20 8UD, United Kingdom)	
L Fitzmaurice	<i>Textbook of Commerce, 5th edition</i>	2008	Pearson	9780435982256
Kennerdell, Williams and Schofield	<i>Business Studies for OCR GCSE</i>	2009	Hodder Education	9780340983492
D Lobley	<i>Success in Commerce, 4th edition</i>	1993	Hodder Education	0719551579
D Wallace	<i>Coursework in Business Studies and Commerce</i>	1987	Causeway Press	0946183376 (out of print)
D Wallace	<i>Business Studies and Commerce Coursework Pack</i>	1988	Causeway Press	0946183465 (out of print)
M Trigwell-Jones	<i>O Level Commerce</i>	2009	Cambridge University Press	9780521727938

Teachers' Resources

Author	Title	Date	Publisher	ISBN
L Fitzmaurice	<i>Textbook of Commerce, 5th edition</i>	2008	Pearson	9780435982256
D Lobley	<i>Success in Commerce, 4th edition</i>	1993	Hodder Education	0719551579
M Trigwell-Jones	<i>O Level Commerce</i>	2009	Cambridge University Press	9780521727938

7. Other information

Equality and inclusion

Cambridge International Examinations has taken great care in the preparation of this syllabus and assessment materials to avoid bias of any kind. To comply with the UK Equality Act (2010), Cambridge has designed this qualification with the aim of avoiding direct and indirect discrimination.

The standard assessment arrangements may present unnecessary barriers for candidates with disabilities or learning difficulties. Arrangements can be put in place for these candidates to enable them to access the assessments and receive recognition of their attainment. Access arrangements will not be agreed if they give candidates an unfair advantage over others or if they compromise the standards being assessed.

Candidates who are unable to access the assessment of any component may be eligible to receive an award based on the parts of the assessment they have taken.

Information on access arrangements is found in the *Cambridge Handbook* which can be downloaded from the website www.cie.org.uk/examsofficer

Language

This syllabus and the associated assessment materials are available in English only.

Grading and reporting

Cambridge O Level results are shown by one of the grades A*, A, B, C, D or E, indicating the standard achieved, A* being the highest and E the lowest. 'Ungraded' indicates that the candidate's performance fell short of the standard required for grade E. 'Ungraded' will be reported on the statement of results but not on the certificate. The letters Q (result pending), X (no results) and Y (to be issued) may also appear on the statement of results but not on the certificate.

Entry codes

To maintain the security of our examinations, we produce question papers for different areas of the world, known as 'administrative zones'. Where the component entry code has two digits, the first digit is the component number given in the syllabus. The second digit is the location code, specific to an administrative zone. Information about entry codes can be found in the *Cambridge Guide to Making Entries*.

Cambridge International Examinations
1 Hills Road, Cambridge, CB1 2EU, United Kingdom
Tel: +44 (0)1223 553554 Fax: +44 (0)1223 553558
Email: info@cie.org.uk www.cie.org.uk

© Cambridge International Examinations 2014

