

# SYLLABUS

Cambridge O Level  
Commercial Studies

**7101**

For examination in November 2017

### Withdrawal of syllabus November 2017

This syllabus will be examined for the last time in November 2017.

Centres are advised that from 2018 entries can be made for Cambridge O Level Commercies (**7100**) or Cambridge O Level Business Studies (**7115**), both of which are available in the June and November sessions.

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# 1. Introduction

## 1.1 Why choose Cambridge?

Cambridge International Examinations is part of the University of Cambridge. We prepare school students for life, helping them develop an informed curiosity and a lasting passion for learning. Our international qualifications are recognised by the world's best universities and employers, giving students a wide range of options in their education and career. As a not-for-profit organisation, we devote our resources to delivering high-quality educational programmes that can unlock learners' potential.

Our programmes set the global standard for international education. They are created by subject experts, are rooted in academic rigour, and provide a strong platform for progression. Over 10 000 schools in 160 countries work with us to prepare nearly a million learners for their future with an international education from Cambridge.

### Cambridge learners

Cambridge programmes and qualifications develop not only subject knowledge but also skills. We encourage Cambridge learners to be:

- **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.

### Recognition

Cambridge O Level is internationally recognised by schools, universities and employers as equivalent in demand to Cambridge IGCSE® (International General Certificate of Secondary Education). There are over 700 000 entries a year in nearly 70 countries. Learn more at [www.cie.org.uk/recognition](http://www.cie.org.uk/recognition)

### 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](http://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](http://www.cie.org.uk/examsOfficers)

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](http://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 students 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](http://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.

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## 2. Teacher support

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### 2.1 Support materials

We send Cambridge syllabuses, past question papers and examiner reports to cover the last examination series 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 Endorsed resources

We work with publishers providing a range of resources for our syllabuses including print and digital materials. Resources endorsed by Cambridge go through a detailed quality assurance process to ensure they provide a high level of support for teachers and learners.

We have resource lists which can be filtered to show all resources, or just those which are endorsed by Cambridge. The resource lists include further suggestions for resources to support teaching.

### 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](http://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/examsOfficers](http://www.cie.org.uk/examsOfficers)

### 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](mailto:info@cie.org.uk) [www.cie.org.uk](http://www.cie.org.uk)

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