

# Mark Scheme (Results)

## Summer 2010

IGCSE

### IGCSE BUSINESS STUDIES (4330) Paper 1F

Edexcel is one of the leading examining and awarding bodies in the UK and throughout the world. We provide a wide range of qualifications including academic, vocational, occupational and specific programmes for employers.

Through a network of UK and overseas offices, Edexcel's centres receive the support they need to help them deliver their education and training programmes to learners.

For further information please call our Customer Services on + 44 1204 770 696, or visit our website at [www.edexcel.com](http://www.edexcel.com).

If you have any subject specific questions about the content of this Mark Scheme that require the help of a subject specialist, you may find our **Ask The Expert** email service helpful.

Ask The Expert can be accessed online at the following link:

<http://www.edexcel.com/Aboutus/contact-us/>

Alternatively, you can speak directly to a subject specialist at Edexcel on our dedicated **subject\*** telephone line: **0207 190 5329**

(If you are calling from outside the UK please dial + 44 1204 770 696 and state that you would like to speak to the **subject\*** subject specialist).

Summer 2010

Publications Code UG024194

All the material in this publication is copyright  
© Edexcel Ltd 2010

Question Number	Answer	Mark
1(a)  A01	(i) C (ii) D (iii) A (iv) B (v) B	5

Question Number	Answer	Mark
1(b)(i)  A01	<ul style="list-style-type: none"> <li>• market segment refers to a specific part of the total market/different groups of consumers</li> <li>• market share refers to the size of a business's involvement in its market</li> </ul>	2

Question Number	Answer	Mark
1(b)(ii)  A01	<ul style="list-style-type: none"> <li>• price reductions</li> <li>• gifts</li> <li>• point of sale</li> <li>• after sales</li> <li>• free samples</li> <li>• competitions</li> </ul>	2

Question Number	Answer	Mark
1(c)(i) A01	<ul style="list-style-type: none"> <li>• a situation where unit costs fall - as output increases</li> </ul>	2

Question Number	Answer	Mark
1(c)(ii) A03	<ul style="list-style-type: none"> <li>• different departments</li> <li>• under the control of a specialist</li> <li>• growing in size</li> </ul>	1

Question Number	Answer	Mark
1(d)(i) A02	<ul style="list-style-type: none"> <li>• easier to borrow money - due to larger size - means less time waiting/cheaper rates</li> </ul>	3

Question Number	Answer	Mark
1(d)(ii) A02	<ul style="list-style-type: none"> <li>• specialist knowledge - more efficient work - improved output/more satisfied customers</li> </ul>	3

Question Number	Answer	Mark
1(e) A01	<ul style="list-style-type: none"> <li>• keeping stocks to a minimum - by having replacement stock arriving just at the point it is required</li> </ul>	2

Question Number	Answer	Mark
2(a) A03 A02 A03	<ul style="list-style-type: none"> <li>(i) February</li> <li>(ii) 65</li> <li>(iii) Piano</li> </ul>	3

• Question • Number	• Answer	• Mark
<ul style="list-style-type: none"> <li>• 2(b)</li> <li>• A03 = 3</li> <li>•</li> <li>• A04 = 3</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>• <u>keyboards</u> up from 15 in Jan to 30 in April - an increase of 5 each month - they were the worst seller and are now the best seller</li> <li>• <u>piano</u> sales are steady at 25 per month - however, no sign of any increase/was best seller now only second best</li> <li>• <u>organ</u> sales have fallen from 20 in Jan to 15 in April - now worst seller/sales well below the other two instruments</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>• 6</li> </ul>

Question Number	Answer	Mark
2(c)(i) A02	<ul style="list-style-type: none"> <li>• costing - to plan product costs</li> <li>• budgeting - to plan/forecast future expenditure and income</li> <li>• cash flow - paperwork/collection</li> <li>• manage payments - invoices - wages</li> </ul>	4

Question Number	Answer	Mark
2(c)(ii) A01	<ul style="list-style-type: none"> <li>• P&amp;L calculates profit/profitability - balance sheet shows liquidity/owned and owed</li> <li>• P&amp;L shows financial performance - balance sheet shows financial position</li> </ul>	2

Question Number	Answer	Mark
2(c)(iii) A02	<ul style="list-style-type: none"> <li>• Marketing</li> <li>• Sales</li> <li>• Personnel (HR)</li> </ul>	

		1
--	--	---

Question Number	Answer	Mark
2(d)  A04	<ul style="list-style-type: none"><li>• <i>HH Ltd</i> offers limited liability - <i>Keitel's/a</i> partnership does not - investment in <i>HH Ltd</i> risks losing only what has been agreed as the amount to invest - investment in <i>Keitel's/a</i> partnership risks losing personal possessions to repay business debts</li></ul>	4

Question Number	Answer	Mark
3(a)(i)  A01	<ul style="list-style-type: none"> <li>• fixed costs do not change as output/production changes</li> <li>• variable costs change in proportion to output/production changes</li> </ul>	2

Question Number	Answer	Mark
3(a)(ii)  A02	variable cost for <i>HH Ltd</i> = <ul style="list-style-type: none"> <li>• production materials</li> <li>• piecework wages</li> </ul>	2

Question Number	Answer	Mark
3(b)(i)  A02	250 output £25 000 revenue (accept £24 500)	2



Question Number	Answer	Mark
3(b)(ii) A03	(200 output) a loss - of £4 000 (accept £3 500) (400 output) a profit - of £12 000(accept £13 000)	4

Question Number	Answer	Mark
3(c)	<ul style="list-style-type: none"> <li>• number sold/total sales/turnover</li> <li>• profits</li> <li>• consumer reaction/satisfaction</li> </ul>	3

Question Number	Answer	Mark
3(d) A01	<ul style="list-style-type: none"> <li>• (cost-plus) total costs calculated - profit element/markup added</li> <li>• (competition) review competitor prices - price near/at this level</li> </ul>	4

Question Number	Answer	Mark
3(e) A04	<ul style="list-style-type: none"> <li>• Yes because - the mark up covers all costs - and will guarantee a profit on each one sold</li> <li>• No because - competitor prices are ignored - which might make the price unrealistic or uncompetitive</li> </ul>	3



Further copies of this publication are available from  
International Regional Offices at [www.edexcel.com/international](http://www.edexcel.com/international)

For more information on Edexcel qualifications, please visit [www.edexcel.com](http://www.edexcel.com)  
Alternatively, you can contact Customer Services at [www.edexcel.com/ask](http://www.edexcel.com/ask) or on + 44 1204 770 696

Edexcel Limited. Registered in England and Wales no.4496750  
Registered Office: One90 High Holborn, London, WC1V 7BH