

Paper reference 4CM1/02
Pearson Edexcel
International GCSE (9 – 1)

Total Marks

COMMERCE
PAPER 2: FACILITATING COMMERCIAL
OPERATIONS

Time: 1 hour 30 minutes

**In the boxes below, write your name,
centre number and candidate number.**

Surname					
Other names					
Centre Number					
Candidate Number					

Y70541A

YOU MUST HAVE:

Nil.

YOU WILL BE GIVEN:

A separate Data Book.

You do not need any other materials.

INSTRUCTIONS

- **Answer ALL questions.**
- **Answer the questions in the spaces provided in this Question Paper or in the Data Book – there may be more space than you need.**
- **You must show all your working out with your answer clearly identified at the end of your solution.**

(continued on the next page)

INFORMATION

- **The total mark for this paper is 80.**
- **The marks for EACH question are shown in brackets – use this as a guide as to how much time to spend on each question.**
- **Calculators may be used.**



ADVICE

- **Read each question carefully before you start to answer it.**
 - **Try to answer every question.**
 - **Check your answers if you have time at the end.**
-

Answer ALL questions.

Write your answers in the spaces provided.

Some questions must be answered with a cross in a box  .

If you change your mind about an answer, put a line through the box  and then mark your new answer with a cross  .

SECTION A is on the next page

SECTION A

1. (a) Which ONE of the following would be received from a customer before they order?

Select ONE answer.
(1 mark)

☐

A A payment

☐

B An enquiry

☐

C A receipt

☐

D An invoice

(continued on the next page)

Turn over

Question 1 continued

(b) Which ONE of the following is a service provided by a bank?

Select ONE answer.

(1 mark)

☐

A A current account

☐

B A government grant

☐

C A trade fair

☐

D A postal order

(continued on the next page)

Turn over

Question 1 continued

- (c) Define the term
MONEY TRANSFER.
(1 mark)**

(continued on the next page)

Question 1 continued

**(d) Define the term YIELD.
(1 mark)**

(continued on the next page)

Question 1 continued

- (e) ASTONMARTINLAGONDA
GLOBAL HOLDINGS PLC (AML)
makes the luxury ASTON MARTIN
sports cars driven by James Bond
in Bond films. Despite falling
sales in 2020, AML wanted to
ensure its car designs were kept
up – to – date.**

(continued on the next page)

Question 1 (e) continued

- (i) State ONE benefit for AML of a new James Bond film playing in cinemas worldwide. (1 mark)**

(continued on the next page)

Question 1 (e) continued

- (ii) State ONE reason why AML might choose to issue further shares as a way of raising capital.**

(1 mark)

(continued on the next page)

Question 1 (e) continued

Figure 1 below shows some financial information for AML in 2018.

Figure 1

	£m
Revenue	1 097
Gross profit	436
Operating expenses	368

(continued on the next page)

Question 1 (e) continued

- (iii) Calculate the profit for the year for 2018. You are advised to show your working.
(2 marks)**

SPACE FOR WORKING

£ _____ m

(continued on the next page)

Turn over

Question 1 continued

- (f) Explain ONE advantage to a business of using overseas agents.
(3 marks)**

Answer space continues on the next page

Turn over

Question 1 (f) continued

(continued on the next page)

Question 1 continued

- (g) Explain ONE function of a stock exchange.
(3 marks)**

Answer space continues on the next page
Turn over

Question 1 (g) continued

(continued on the next page)

Question 1 continued

The average price of an ASTON MARTIN car is £160 000. Recently sales of ASTON MARTIN cars have fallen.

- (h) Analyse why AML might encourage customers to use hire purchase when buying an ASTON MARTIN car.
(6 marks)**

Answer space continues on the next 3 pages

Turn over

Question 1 (h) continued

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Turn over

Question 1 (h) continued

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Turn over

Question 1 (h) continued

(Total for Question 1 = 20 marks)

2. (a) Which ONE of the following lists the products dispatched and is signed by the buyer?

Select ONE answer.
(1 mark)

☐

A A quotation form

☐

B A credit note

☐

C An enquiry form

☐

D A delivery note

(continued on the next page)

Question 2 continued

(b) Which ONE of the following would use a collective advertising approach to lower costs when entering a new market in China?

Select ONE answer.

(1 mark)

☐

A A UK bank opening a new branch

☐

B Toyota cars launching a new model

☐

C A group of famous Italian olive oil producers

☐

D Disney World opening a new ride in Hong Kong

(continued on the next page)

Turn over

Question 2 continued

- (c) Look at Figure 2 for Question 2 (c) in the separate Data Book. Figure 2 shows the forecasted percentage growth of ecommerce from 2018 – 2023.**
- (i) Identify the country with the highest percentage of ecommerce growth from 2018 – 2023.**
(1 mark)

(continued on the next page)

Turn over

Question 2 (c) continued

- (ii) Identify the lowest value of
ecommerce sales in 2018.
(1 mark)**

(continued on the next page)

Question 2 continued

**(d) Define the term CHEQUE.
(1 mark)**

(continued on the next page)

Question 2 continued

- (e) Explain ONE benefit to a customer of using internet banking.
(3 marks)**

Answer space continues on the next page

Turn over

Question 2 (e) continued

(continued on the next page)

Question 2 continued

- (f) Explain ONE benefit to a business of a customer using a debit card to pay for their purchases.
(3 marks)**

Answer space continues on the next page

Turn over

Question 2 (f) continued

(continued on the next page)

Question 2 continued

Kolkata and Varanasi are Indian cities. They are 422 miles apart and until recently were only connected by road and rail. Indian roads are often narrow, poorly maintained and very busy. In 2018 the river Ganges was dredged, allowing the passage of small ships capable of carrying containers.

Transporting containers by road between Kolkata and Varanasi will take 15 hours with one truck needed for every container. Transporting containers by water will take 15 days but costs 50% less than using roads. Whichever method is used, once the containers arrive in Varanasi the products would be delivered to small retailers using local transport businesses.

(continued on the next page)

Turn over

Question 2 continued

PEPSICO'S drinks and snacks will arrive in the port of Kolkata and then its containers will be unloaded and taken to Varanasi. PEPSICO'S market research has indicated a large demand for its products in Varanasi. PEPSICO is considering two transport options:

OPTION 1: using small container ships on the river

OPTION 2: using many container trucks on the road.

(continued on the next page)

Question 2 continued

- (g) Justify which ONE of these two options PEPSICO should choose.
(9 marks)**

Answer space continues on the next 4 pages

Turn over

Question 2 (g) continued

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Question 2 (g) continued

[illegible]

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Question 2 (g) continued

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Turn over

Question 2 (g) continued

(Total for Question 2 = 20 marks)

TOTAL FOR SECTION A = 40 MARKS

SECTION B

Answer ALL questions.

Read the following extract before answering the questions.

Write your answers in the spaces provided.

BOOKKEEPING SERVICES SINGAPORE (BSS) provides professional accounting and bookkeeping services to small businesses in a wide range of commercial activities and locations in Singapore and other areas throughout Asia. It is owned and run by a group of experienced bookkeepers who work from home using their own office equipment and stationery. Its services are delivered online.

(continued on the next page)

Turn over

SECTION B continued

The BSS website gives information about the different packages customers can buy. These are paid for monthly and vary from the basic ‘standard’ package that provides basic accounting and bookkeeping services to the most expensive ‘platinum’ package that provides more detailed and extensive services. Customers can pay online and upgrade to another package or add extra services.

(continued on the next page)

- 3. (a) Which ONE of the following is an advantage of oral communication?**

**Select ONE answer.
(1 mark)**

☐

A The speaker may give incorrect information

☐

B The listener may mishear and misunderstand information

☐

C The speaker may demonstrate an inappropriate mood

☐

D Both listeners and speakers may discuss a topic immediately

(continued on the next page)

Turn over

Question 3 continued

(b) Which ONE of the following is a reason why BSS holds a monthly online meeting with all its bookkeepers?

**Select ONE answer.
(1 mark)**

☐

A To find a new office location to work in

☐

B To produce a statement of comprehensive income

☐

C To discuss how to improve its services

☐

D To collect payments from clients

(continued on the next page)

Turn over

Question 3 continued

- (c) State ONE way the BSS bookkeepers could reduce their costs of buying stationery.
(1 mark)**

(continued on the next page)

Question 3 continued

- (d) Look at Figure 3 for Question 3 (d) in the separate Data Book.**

Complete the Statement of Account (Figure 3) to show the missing amounts.

(2 marks)

(continued on the next page)

Question 3 continued

- (e) Analyse why BSS may prefer customers to use a standing order to pay for their package.
(6 marks)**

Answer space continues on the next 2 pages

Turn over

Question 3 (e) continued

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Turn over

Question 3 (e) continued

(continued on the next page)

Question 3 continued**BOOKKEEPING SERVICES**

SINGAPORE (BSS) wants to attract new customers to increase its market share and is developing a marketing campaign.

It is considering the following two methods:

OPTION 1: a mobile app to manage business travel as a new service

OPTION 2: advertising its services in specialist trade journals.

(continued on the next page)

Question 3 continued

- (f) Justify which ONE of these two options will help BSS attract new customers.
(9 marks)**

Answer space continues on the next 4 pages

Turn over

Question 3 (f) continued

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Question 3 (f) continued

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Question 3 (f) continued

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Turn over

Question 3 (f) continued

(Total for Question 3 = 20 marks)

TOTAL FOR SECTION B = 20 MARKS

SECTION C

Answer ALL questions.

Read the following extract before answering the questions.

Write your answers in the spaces provided.

The global market for construction toys was worth \$7 260 million in 2020 and is forecast to grow annually by 4% up to 2023. MECCANO makes a build – your – own robot toy, ‘The Meccanoid’.

(continued on the next page)

SECTION C continued

MECCANO was aware of the potential growth in the construction toys market many years earlier and in 2013 it invested in new technology for its existing French factory at a cost of €2 million. The aim was to increase production of construction toys over the next 10 years to meet an expected increase in demand.

(continued on the next page)

4. (a) Outline ONE reason why MECCANO publishes the instructions on how to build the robot on its website.
(2 marks)

(continued on the next page)

Turn over

Question 4 continued

- (b) Analyse why MECCANO may have chosen a mortgage to raise the capital it needed to improve its French factory.
(6 marks)**

Answer space continues on the next 2 pages

Turn over

Question 4 (b) continued

[illegible]

(continued on the next page)

Turn over

Question 4 (b) continued

(continued on the next page)

Turn over

Question 4 continued

The London Toy Fair is a major annual event in Europe. However, it is smaller than some others such as the Hong Kong Toy Fair. MECCANO launched the 4 ft tall ‘The Meccanoid’ robot at the London Toy Fair first. It was programmed to interact with all the buyers by moving about, making jokes and gazing up at them with enormous, curious eyes.

(continued on the next page)

Question 4 continued

- (c) Evaluate how the London Toy Fair may have helped MECCANO achieve exports of ‘The Meccanoid’. You should use the information provided and your own knowledge of commerce in your answer.
(12 marks)**

Answer space continues on the next 5 pages

Turn over

Question 4 (c) continued

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Question 4 (c) continued

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Question 4 (c) continued

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Question 4 (c) continued

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Question 4 (c) continued

(Total for Question 4 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS

TOTAL FOR PAPER = 80 MARKS

END OF PAPER

Source Information is on the next page

Turn over

SOURCE INFORMATION

<https://www.astonmartinlagonda.com/investors/annual-report> last visited
19/02/2020 © Statista

https://niti.gov.in/writereaddata/files/document_publication/Freight_report.pdf

<https://blogs.worldbank.org/endpovertyinsouthasia/inland-waterways-revive-south-asia-arteries-trade>

<https://bookkeepingservices.sg/>
