Pearson Edexcel

Mark Scheme (Results)

Summer 2025

Pearson Edexcel International GCSE
In Commerce (4WCM2)
Paper 01: Facilitating Commercial Operations

Summer 2025
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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Question Number	Which **one** of the following trading documents is sent to a customer with the goods they have bought? **Answer**	Mark
1 (a)	**A01 = 1 mark** The only correct answer is **C** A delivery note **A** – is not correct as an enquiry is about goods that may be ordered **B** – is not correct as an order is placed before payment is requested **D** – is not correct as a quotation is provided before a purchase	**(1)**

Question Number	Which **one** of the following is an advantage to a business of buying equipment using purchase? **Answer**	Mark
1 (b)	**A01 = 1 mark** The only correct answer is **C** A large sum does not have to be paid at the start of the agreement **A** – is not correct as the finance company owns the equipment during the hire purchase period **B** – is not correct as hire purchase is more expensive than buying outright **D** – is not correct as the business does not make the decision of the amount of each repayment	**(1)**

Question Number	Define the term **mark-up.** **Answer**	Mark
1 (c)	**A01 = 1 mark** Award 1 mark for a definition of **mark-up** • The percentage added to the cost of a product to ensure a profit **(1)**	**(1)**

Question Number	Define the term **price stability**. **Answer**	**Mark**
(d)	**A01 = 1 mark** Award 1 mark for a definition of **price stability** • Price stability is when average consumer prices for goods and services are constant over time **(1)**	**(1)**

Question Number	State **one** way *VAA* has reduced its expenses. **Answer**	**Mark**
1 (e) (i)	**A02 - 1 mark** Award 1 mark for one valid way *VAA* has reduced its expenses. • *Virgin Active Australia* has closed one gym when the lease ended which means it will not have to pay rent on the premises **(1)** • *VAA* does not operate any gym equipment unless it is popular with customers meaning it can reduce electricity costs **(1)** Accept any other appropriate response.	**(1)**

Question Number	State **one** benefit to *VAA* of advertising on billboards near the main highways. **Answer**	Mark
1 (e) (ii)	**A02 = 1 mark** Award 1 mark for one valid benefit to *VAA* of advertising its gyms on billboards near the main highways. • The adverts will be seen by a large local population within easy reach of the gyms as they travel around the cities **(1)** • The large pictures of people enjoying themselves will be seen repeatedly by drivers who regularly travel along the same route **(1)** Accept any other appropriate response.	**(1)**

Question Number	Calculate, to two decimal places, the Profit for the year margin for *VAA* in 2022. You are advised to show your workings. **Answer**	Additional guidance	Mark
1 (e) (iii)	**A02 = 2 mark** $\frac{94}{436} \times 100$ **(1)** = 21.56% **(1)**	Award 1 mark for correctly substituting numbers into the formula Award full marks for correct numerical answer without working	**(2)**

Question Number	Explain **one** benefit to a business of using owner's capital as a source of long-term finance. **Answer**	Mark
1 (f)	**A01 = 3 marks** Award 1 mark for identifying **one** benefit to a business of using owner's capital as a source of long-term finance and up to 2 marks for explaining the benefit for a maximum of 3 marks. • The business does not have to rely on external finance **(1)** which means it can make all its own financial decisions **(1)** to follow its own vision and mission **(1)** Answers that list three benefits with no explanation will get 1 mark only Accept any other appropriate response	**(3)**

Question Number	Explain **one** reason why commercial banks lend money to businesses. **Answer**	Mark

1 (g)	**A01 = 3 marks** Award 1 mark for identifying **one** reason why commercial banks lend money to businesses and up to 2 marks for explaining the reason for a maximum of 3 marks • A commercial bank may generate profit **(1)** by using deposits as loans to other businesses **(1)** on which the businesses pay interest to the commercial bank **(1)** • A commercial bank may lend money to a business to help them grow **(1)** knowing that the loan will be able to be repaid from increased revenue **(1)** to cover the interest the bank charges **(1)** Answers that list three reasons with no explanation will get 1 mark only Accept any other appropriate response	**(3)**

Question Number	Analyse why direct debits may be a good method of payment for *VAA.* **Indicative content**	**Mark**

1 (h)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • The monthly charge for customers of *VAA* services can vary on a regular basis • Customers pay by direct debit for their membership package **<u>AO3</u>** • *VAA* can alter the amount to be paid on the direct debit depending on usage/upgrade • This means *VAA* will know how much money they will receive and when for each customer.	**(6)**

Level	Mark	Descriptor
	0	• No rewardable material
Level 1	1–2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context. (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points. (AO3)
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies. (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout. (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)

Question Number	Which **one** of the following is a function of central banks? **Answer**	**Mark**

2 (a)	**A01 =1 mark** The only correct answer is **A** to issue all the notes and coins circulating in their country **(1)** B is not correct as this is not handled by the central banks C is not correct as central banks cannot offer the public current accounts D is not correct as central banks do not provide ATMs	**(1)**

Question Number	Which **one** of the following is the correct formula to calculate the yield on a share which cost \$2.50 and received a dividend of \$0.06? **Answer**	**Mark**
2 (b)	**A02 = 1 mark** **The only correct answer is B (**\$0.06 ÷ \$2.50) x 100 **(1)** A is not correct as the numerator and denominator are entered incorrectly in this calculation and the two are multiplied C is not correct as this uses addition of the share and yield figures D is not correct as this uses subtraction of the share and yield figures	**(1)**

Question Number	Identify the lowest value of global air traffic in any year. **Answer**	**Mark**

2 (c)(i)	**AO2 = 1 mark** 391.22 **(1)** **Or** $391.22 **(1)** **Or** 391.22 billion **(1)** **Or** $391.22 billion **(1)**	**(1)**

Question Number	Identify the year with the greatest increase in the value of global air traffic on the previous year. **Answer**	**Mark**
2 (c)(ii)	**AO2 - 1 mark** 2022 **(1)**	**(1)**

Question Number	Define the term **mortgage.** **Answer**	**Mark**
2 (d)	**A01 - 1 mark** Award 1 mark for a definition of **mortgage**. • A mortgage is a long term loan secured against property **(1)**	**(1)**

Question Number	Explain **one** benefit to a business of sponsoring famous people. **Answer**	**Mark**

2 (e)	**A01 = 3 marks** Award 1 mark for explaining one benefit to a business of sponsoring famous people and up to 2 marks for explaining the benefit for a maximum of 3 marks. • A business can gain more brand awareness **(1)** by associating its products with a famous person **(1)** which is likely to increase sales **(1)** Answers that list three benefits with no explanation will get a maximum of 1 mark. Accept any other appropriate response.	**(3)**

Question Number	Explain **one** way an individual can benefit from having a current account. **Answer:**	**Mark**
2 (f)	**AO1 = 3 marks** Award 1 mark for explaining **one** way an individual can benefit from having a current account and up to 2 marks for explaining the reason for a maximum of 3 marks. • Current account holders can easily put money in their current accounts **(1)** that can be used to make payments for purchases in many different ways **(1)** such as by using a cheque book or debit card issued by a bank to current account holders **(1)** Answers that list three ways with no explanation will get a maximum of 1 mark. Accept any other appropriate response.	**(3)**

Question Number	**Option 1:** agree a 30 day trade credit with suppliers **Option 2:** increase its overdraft limit at its bank **Indicative Content**	**Mark**

2 (g)	**AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks**. **Arguments for option 1:** **<u>AO2</u>** • *MBP* needs regular supplies of construction materials • *MBP* is operating in a market where there are many high value construction projects available **<u>AO3</u>** • Shorter trade credit terms provide a cheap source of short term finance to *MBP* to buy concrete tarmac and bricks • *MBP* may be able to take on the contracts if it can improve its short-term finances by using an overdraft to buy the materials to start the building work quickly **<u>AO4</u>** • However, *MBP* may not be able to make the earlier payment to suppliers as it may need this money to pay other costs such as wages • However, there is no guarantee that *MBP* will win the necessary number of contracts to receive sufficient payments to pay the charges on its overdraft **Arguments for option 2**: **<u>AO2</u>** • *MBP* is hoping to win contracts of high value • *MBP* may need to be overdrawn on a regular basis to meet the demands of government contracts	

	<u>AO3</u> • A bank is able to provide a large overdraft to *MBP* which enables them to meet the high costs of the contracts such as buying new machinery • As payment for the projects is to be received monthly, *MBP* would be able to use the overdraft to finance the projects for that period and pay them off on receipt of payment thus reducing interest paid **<u>AO4</u>** • However, *MBP* may require more short term finance in the form of an overdraft than the bank is prepared to offer and may insist that *MBP* take out a loan instead reducing *MBPs* ability to minimise its costs. • However, the bank may ask *MBP* to repay its overdraft at any time if it thinks that *MBP* is struggling financially thus putting *MBP* at risk of bankruptcy	**(9)**

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-3	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3) • Makes a judgement, providing a simple justification based on limited evaluation of commercial information and issues relevant to the choice made (AO4)
Level 2	4-6	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3) • Makes a judgement, providing a justification based on sound evaluation of commercial information and issues relevant to the choice made (AO4)
Level 3	7-9	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (AO2) Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3) • Makes a judgement, providing a clear justification based on a thorough evaluation of commercial information and issues relevant to the choice made (AO4)

Question Number	Which **one** of the following is a written record of what was discussed and decided at a meeting? **Answer**	Mark
3 (a)	**A01 =1 mark** The only correct answer is **D** The minutes **(1)** **A** is not correct as a presentation is not a written record of a meeting **B** is not correct as an agenda sets out what is to be discussed at a meeting **C** is not correct as a telephone call is not a written record	**(1)**

Question Number	Which **one** of the following is a reason why *Zomato* provides a receipt to its customers? **Answer**	Mark
3 (b)	**A02 = 1 mark** The only correct answer is **B** - Customers can prove what meal they ordered if they need to complain (**1)** **A** is not correct as ingredients are not listed on a receipt **C** is not correct as the restaurants know the costs of the meals **D** is not correct as this information is not available on the receipt	**(1)**

Question Number	State **one** disadvantage to *Zomato* of not paying a dividend to its shareholders **Answer**	Mark
3 (c)	**A02 = 1 mark** *Zomato's* shares may drop in value possibly making it more difficult to raise capital to invest in attracting more restaurants to its website and app. **(1)** **NB** Do not accept a disadvantage that is not in the context of *Zomato* Accept any other appropriate response	**(1)**

Question Number	Answer	Mark
3 (d)(i)	**A02 = 1 mark** 362.98 **(1)**	**(1)**

Question Number	Answer	Mark
3 (d)(ii)	**A02 = 1 mark** 372.50 **(1)**	**(1)**

Question Number	Analyse **two** benefits for *Zomato* of having its own transport to deliver online orders to customers. **Indicative content**	Mark
3 (e)	**A02 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • *Zomato* receives up to 8% commission to deliver online orders • *Zomato* wants to attract more restaurants to use its website **<u>AO3</u>** • *Zomato* could use that commission to pay its own drivers to provide a quick and flexible service possibly resulting in more orders • It could build brand awareness by putting its logo on its own transport possibly reducing advertising costs	**(6)**

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	0	• No rewardable material
Level 1	1-2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3)
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3)
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3)

Question Number	**Option 1:** using the local Delhi radio **Option 2:** developing its website and app. **Indicative content**	Mark
3 (f)	**AO2 = 3 AO3 = 3 AO4 = 3** **Arguments for option 1:** **<u>AO2</u>** • Local radio is a popular medium in Delhi with over sixteen million listeners • Radio advertising is one of the cheapest forms of advertising at 165 rupees per second **<u>AO3</u>** • Many of these listeners will be carrying out a large range of activities whilst listening to the radio and will keep listening to the adverts rather than switching to another channel so *Zomato* can reach a wide range of potential customers frequently • *Zomato* could limit its financial risk by starting with a short cheap radio campaign targeted at the wealthy tourists in Delhi and assess how many visitors it attracts to taste the favourite dishes at its advertised restaurants **<u>AO4</u>** • However, radio does not allow a listener to see or taste the foods being advertised so may not be effective • However, the correct target audience for an expensive dining experience and the most appropriate radio station would have to be carefully selected and may be many fewer than sixteen million listeners	

	Arguments for option 2: **<u>AO2</u>** • Websites and apps can be updated regularly • *Zomato* can target its app to Indian visitors to Delhi **<u>AO3</u>** • *Zomato* can develop its website and app to allow interested visitors to read and write the latest reviews, view and upload recent photos of its latest dishes and share stories of their experiences which could attract more customers • Visitors may be attracted by the ease and speed by which they can order food, book a table and make payments when they place their orders **<u>AO4</u>** • However, reviews and photos may sometimes be negative which may result in the marketing campaign being ineffective • However, the marketing campaign may not attract enough customers to justify the investment as many other restaurants are likely to be advertising their menus through websites and apps	**(9)**

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-3	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3) • Makes a judgement, providing a simple justification based on limited evaluation of commercial information and issues relevant to the choice made (AO4)
Level 2	4-6	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3) • Makes a judgement, providing a justification based on sound evaluation of commercial information and issues relevant to the choice made (AO4)
Level 3	7-9	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3) • Makes a judgement, providing a clear justification based on a thorough evaluation of commercial information and issues relevant to the choice made. (AO4)

Question Number	Outline **one** reason *Ford* sends an advice note to its dealerships.	Mark
4 (a)	**A02 = 2 marks** • The dealerships will then be aware that a delivery of cars, trucks or other vehicles is on its way **(1)** and they can prepare their showrooms to display them **(1)** Accept any other appropriate response.	**(2)**

Question Number	Analyse why *Ford* helps its customers to finance their purchases by offering them a lease. **Answer**	Mark
4 (b)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • Cars and trucks are expensive purchases for a private individual • Businesses can pay in monthly instalments **<u>AO3</u>** • Customers are likely to be able to afford a bigger or better car than if they had to pay in full immediately, leading to an increase in sales revenue for *Ford* • Businesses may lease multiple vehicles such as a fleet of cars without risk to *Ford* as the vehicles remain in its ownership until the lease is ended. Accept any other appropriate response.	**(6)**

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3)
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3)
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout. (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3)

Question Number	Evaluate whether this loan is a suitable source of finance for *Ford*. **Answer**	Mark
4 (c)	**A01= 3 marks AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks** **<u>A01</u>** • Loans are a long term source of finance • Interest is the cost of borrowing money **<u>A02</u>** • *Ford* has to finance the building of three factories to produce the batteries needed to power its new EV's • This $9.2 billion loan is being provided at a very low interest rate **<u>A03</u>** • It needs this source of finance so that it can repay the loan over a long period of time when it starts selling the EV's • The low cost of borrowing makes this a more attractive source of finance than alternatives such as a more expensive bank loan that would lead to a lower profit from the new EV's **<u>A04</u>** • However, there is a risk that demand will not be as great as expected and *Ford* will not sell enough EVs to pay back the loan • However, the cost of the build may be more expensive than $9.2 billion so the loan may not be enough to fully finance it and a more expensive form of finance may also have to be taken out.	**(12)**

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-4	• Demonstrates elements of knowledge and understanding of commercial concepts and issues, with limited commercial terminology used (AO1) • Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3) • Draws a conclusion, supported by generic assertions from limited evaluation of commercial information and issues (AO4)
Level 2	5-8	• Demonstrates mostly accurate knowledge and understanding of commercial concepts and issues, including appropriate use of commercial terminology in places (AO1) • Sound application of knowledge and understanding of commercial concepts and issues to the commercial context, although there may be some inconsistencies (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3) • Draws a conclusion based on sound evaluation of commercial information and issues (AO4)
Level 3	9-12	• Demonstrates accurate knowledge and understanding of commercial concepts and issues throughout, including appropriate use of commercial terminology (AO1) • Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout. (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with chains of reasoning (AO3) • Draws a valid and well-reasoned conclusion based on a thorough evaluation of commercial information and issues (AO4)

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