

Please check the examination details below before entering your candidate information

Candidate surname					Other names				
Centre Number					Candidate Number				
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Pearson Edexcel International GCSE (9–1)

Friday 31 May 2024

Afternoon (Time: 1 hour 30 minutes) **Paper reference** **4CM1/02**

Commerce

PAPER 2: Facilitating commercial operations

You do not need any other materials.

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions.
- Answer the questions in the spaces provided – *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.**

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.

Turn over ►

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SECTION A

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 ☒.

- 1 (a) Which **one** of the following is a proof of payment?

Select **one** answer.

(1)

- A A credit note
- B An invoice
- C An enquiry
- D A receipt

- (b) Which **one** of the following is an advantage for a customer using mobile banking?

Select **one** answer.

(1)

- A The customer can access their bank account at any time
- B The customer needs a good internet connection
- C The customer is at risk of fraud during transactions
- D The customer immediately receives a paper copy of the transaction

- (c) Define the term **investor**.

(1)

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(d) Define the term **bank draft**.

(1)

(e) *The Volkswagen Group (TVG)* manufactures a wide range of cars. The most expensive are high status Audi cars. Volkswagen cars are for families and are sold through local dealers. Often hire purchase agreements lasting from 12 to 60 months are used.

In 2022 a Volkswagen Golf model cost £33 460.

(i) State **one** benefit to *TVG* of offering hire purchase to its customers.

(1)

(ii) State **one** reason why *TVG* requires a customer to sign a written hire purchase agreement.

(1)

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Figure 1 shows some financial information for TVG for 2020.

Year 2020	€million
Sales revenue	73 557
Cost of sales	63 418
Gross profit	10 139
Expenses	3 751

Figure 1

(iii) Calculate the profit for the year 2020. You are advised to show your working.

(2)

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(f) Explain **one** reason why it might be important for a manufacturer to have its raw materials delivered quickly.

(3)

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(g) Explain **one** reason a business might display its products at a trade fair.

(3)

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- 2 (a) Which **one** of the following costs will increase if a business holds too much inventory?

Select **one** answer.

(1)

- A** Distribution costs
- B** Training costs
- C** Research costs
- D** Storage costs

- (b) Which **one** of the following forms of advertising is used in an advert where *Cadbury* makes a direct comparison of its chocolate with its rivals?

Select **one** answer.

(1)

- A** Persuasive
- B** Competitive
- C** Informative
- D** Collective



(c) **Figure 2** shows the number of automatic teller machines (ATMs) in the UK.

Year	Total ATMs at year end	Change from previous year
2017	68,600	–
2018	63,100	–5,500
2019	60,700	–2,400
2020	54,600	–6,100
2021	53,000	–1,600

Figure 2

(i) Identify the biggest fall in the number of ATMs from the previous year.

(1)

(ii) Identify the year with the most ATMs.

(1)

(d) Define the term **advice note**.

(1)

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(e) Explain **one** benefit to a business of selling shares to raise capital.

(3)

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(f) Explain **one** disadvantage to a customer of using a debit card to pay for goods they buy.

(3)

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Tesco is a leading UK supermarket chain. It imports a wide range of seasonal, perishable fruit and vegetables. These reach the UK by air or sea. In 2021, it delivered most of the perishable food from the ports and airports to its UK distribution centres using new refrigerated trains. The trains supplied the regional distribution warehouses during the busy December period when demand was high and roads were congested.

Just one refrigerated freight train carries the same as 76 container trucks. All distribution centres are near railway stations. However, there is a limit to the number of freight trains available in some areas.

Tesco also operates 1,600 trucks that can carry refrigerated containers. The UK has a well-developed road network.

Tesco must ensure its supermarkets are always stocked to satisfy customers and protect profits. It is reviewing its transport of seasonal and perishable foods to its UK distribution warehouses.

It is considering the following two options:

Option 1: use more trains to deliver perishable foods

Option 2: buy more trucks to deliver perishable foods.

(g) Justify which **one** of these two options Tesco should choose.

(9)

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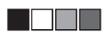
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(Total for Question 2 = 20 marks)

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.

In 2005, Bethlehem Alemu started *soleRebels* in Ethiopia, Africa. It is a footwear brand that uses recycled car tyres for the soles of its shoes and as much recycled fabric as possible for the upper parts of the shoes.

Its shoes are now widely available on the internet. Shoes can be bought from the *soleRebels* website and other major ecommerce sites such as *Amazon*, *Endless*, *Javari* and Europe's well-known online footwear retailer *spartoo.com*.

soleRebels.com offers free shipping all around the world. The website accepts all major credit cards. The prices of shoes start from €60.

3 (a) Which **one** of the following is an advantage to a business of using a night safe?

Select **one** answer.

(1)

- A It provides a secure place for large amounts of cash overnight
- B A business can withdraw large sums of money from the safe
- C It provides higher rates of interest than a bank account
- D A business can get foreign currency from the night safe

(b) State which **one** of the following is a reason why *soleRebels* may make a telephone call to *spartoo.com*.

Select **one** answer.

(1)

- A To save the cost of emails to customers
- B To sign a contract for the shoes to be delivered
- C To quickly discuss prices of the latest shoe designs
- D To keep a record of footwear sales in the USA

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(c) State **one** way *soleRebels* achieves low purchasing costs.

(1)

(d) Complete the quotation below to show the missing amounts.

soleRebels Addis Ababa, Ethiopia.	QUOTATION DATE: 22/02/2023 QUOTE NO: 20220178 ORDER NO: 45678888 VALID UNTIL: 22/03/2023																														
Spartoo Grenoble FRANCE																															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Item</th> <th style="width: 40%;">Description</th> <th style="width: 10%;">Quantity</th> <th style="width: 20%;">Unit price \$</th> <th style="width: 20%;">Total \$</th> </tr> </thead> <tbody> <tr> <td>0012</td> <td>RunAROUND Freedom4</td> <td style="text-align: center;">10</td> <td>(i)</td> <td style="text-align: right;">420.00</td> </tr> <tr> <td>0014</td> <td>URBAN RUNNER Tight</td> <td style="text-align: center;">20</td> <td style="text-align: right;">43.00</td> <td style="text-align: right;">860.00</td> </tr> <tr> <td colspan="4" style="text-align: right;">SUBTOTAL</td> <td style="text-align: right;">1280.00</td> </tr> <tr> <td colspan="4" style="text-align: right;">VAT 20%</td> <td style="text-align: right;">256.00</td> </tr> <tr> <td colspan="4" style="text-align: right;">TOTAL DUE</td> <td style="text-align: right;">(ii)</td> </tr> </tbody> </table>	Item	Description	Quantity	Unit price \$	Total \$	0012	RunAROUND Freedom4	10	(i)	420.00	0014	URBAN RUNNER Tight	20	43.00	860.00	SUBTOTAL				1280.00	VAT 20%				256.00	TOTAL DUE				(ii)	
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VAT 20%				256.00																											
TOTAL DUE				(ii)																											
Please contact us at www.soleRebels.com if you have any queries.																															

Figure 3

(2)



(e) Analyse why *soleRebels* only accepts credit cards for online payments.

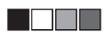
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soleRebels has retail stores in the US, Europe and Asia. The CEO, Bethlehem Alemu, has been interviewed by major news channels such as *CNN* in the US and by the *BBC* in the UK. *CNN* and the *BBC* are watched by many viewers. The interviews can be seen on the *soleRebels* website. New stores are advertised on local television channels.

soleRebels aims to open over 500 stores globally by 2025. It wants to advertise and promote the opening of its new stores.

It is considering the following two options:

Option 1: advertise on its website

Option 2: advertise on television.

(f) Justify which **one** of these two options *soleRebels* should choose.

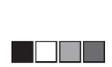
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SECTION C

Answer ALL questions.

Read the following extract before answering the questions.

Write your answers in the spaces provided.

The Lego Group (TLG) is a leading manufacturer of construction toys. It exports products around the world. Demand is growing in Asia. TLG has a factory in China that supplies all of Asia with its construction toy sets. Different currencies such as the yuan in China and the rupee in India can be used to buy TLG construction toys.

TLG has a separate website for fans and designers. Visitors to this website suggest new designs that can then be voted on. The designs that receive more than 10,000 votes are developed. Once manufactured TLG promotes them on its main website.

- 4** (a) Outline **one** way TLG could use a bank when exporting its products to different countries in Asia.

(2)

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(b) Analyse how *TLG* uses digital technology to promote its new products.

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TLG is building a factory in Vietnam that will cost \$1 billion. TLG will export toys made in this factory throughout Asia.

In the past five years, TLG's Asian profits have grown by more than 10% every year. They are expected to continue to do so until 2050. The new factory in Vietnam will support the continued growth of TLG in Asia.

(c) Evaluate why TLG may choose to finance the building of the new factory using retained profit. You should use the information provided and your own knowledge of commerce in your answer.

(12)

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(Total for Question 4 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS
TOTAL FOR PAPER = 80 MARKS

Source information

<https://www.volkswagenag.com/presence/investorrelation/publications/annual-media>

<https://commonslibrary.parliament.uk/research-briefings/cbp-8570/>

