

Write your name here	
Surname	Other names
Edexcel	Centre Number
International GCSE	Candidate Number
Commerce	
Monday 16 January 2012 – Afternoon Time: 2 hours	Paper Reference 4CM0/01
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.*

Information

- The total mark for this paper is 100.
- The marks for **each** question are shown in brackets
– *use this as a guide as to how much time to spend on each question.*
- A calculator may be used.

Advice

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

Turn over ►

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PEARSON

Answer ALL questions.

1 Complete the following sentences by inserting only **one** word in each space.

(a) A storage warehouse is used to store perishable goods. (1)

(b) The exchange is the price of one country's currency expressed in terms of another country's currency. (1)

(c) A cheque drawn on a bank is called a bank (1)

(d) The of Incorporation shows that a company has been legally formed. (1)

(Total for Question 1 = 4 marks)

2 Using an example in each case, define:

(a) primary production (2)

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(b) secondary production. (2)

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(Total for Question 2 = 4 marks)



- 3** The annual sales of a business were £350 000. The cost price of goods was £220 000 and the expenses were £7 000.

Calculate the net profit. Show your working.

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(Total for Question 3 = 2 marks)

- 4** State **two** advantages for a bank customer of using cash dispensers (ATMs).

1

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2

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(Total for Question 4 = 2 marks)

- 5** Describe **two** features of hire purchase.

1

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2

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(Total for Question 5 = 2 marks)

- 6** Identify **two** difficulties faced by exporters when trading abroad.

1

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2

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(Total for Question 6 = 2 marks)



7 Methods of payment are used in home and international trade.

For each method of payment, identify whether it is an example of home trade or an example of international trade by putting a cross ☒ in the correct box below.

Indicate each answer by marking a cross in the box ☒. If you change your mind, put a line through the box ☒ and then indicate your new answer with a cross ☒.

Method of Payment	A Home	B International
(i) Bills of exchange	☐	☐
(ii) Credit transfer	☐	☐
(iii) Mail transfer	☐	☐
(iv) Standing order	☐	☐

(Total for Question 7 = 4 marks)

8 What is the purpose of an 'enquiry' trade document?

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(Total for Question 8 = 1 mark)

9 Identify **two** benefits to a country of having a multi-national company in operation.

1

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2

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(Total for Question 9 = 2 marks)

10 What is the difference between an insurance broker and an insurance underwriter?

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(Total for Question 10 = 2 marks)

11 Give **three** functions of a central bank.

1

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3

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(Total for Question 11 = 3 marks)

12 State **two** disadvantages of using barter.

1

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2

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(Total for Question 12 = 2 marks)



13 Consider why a business, such as a transport firm, cannot insure against the risk of not having any customers.

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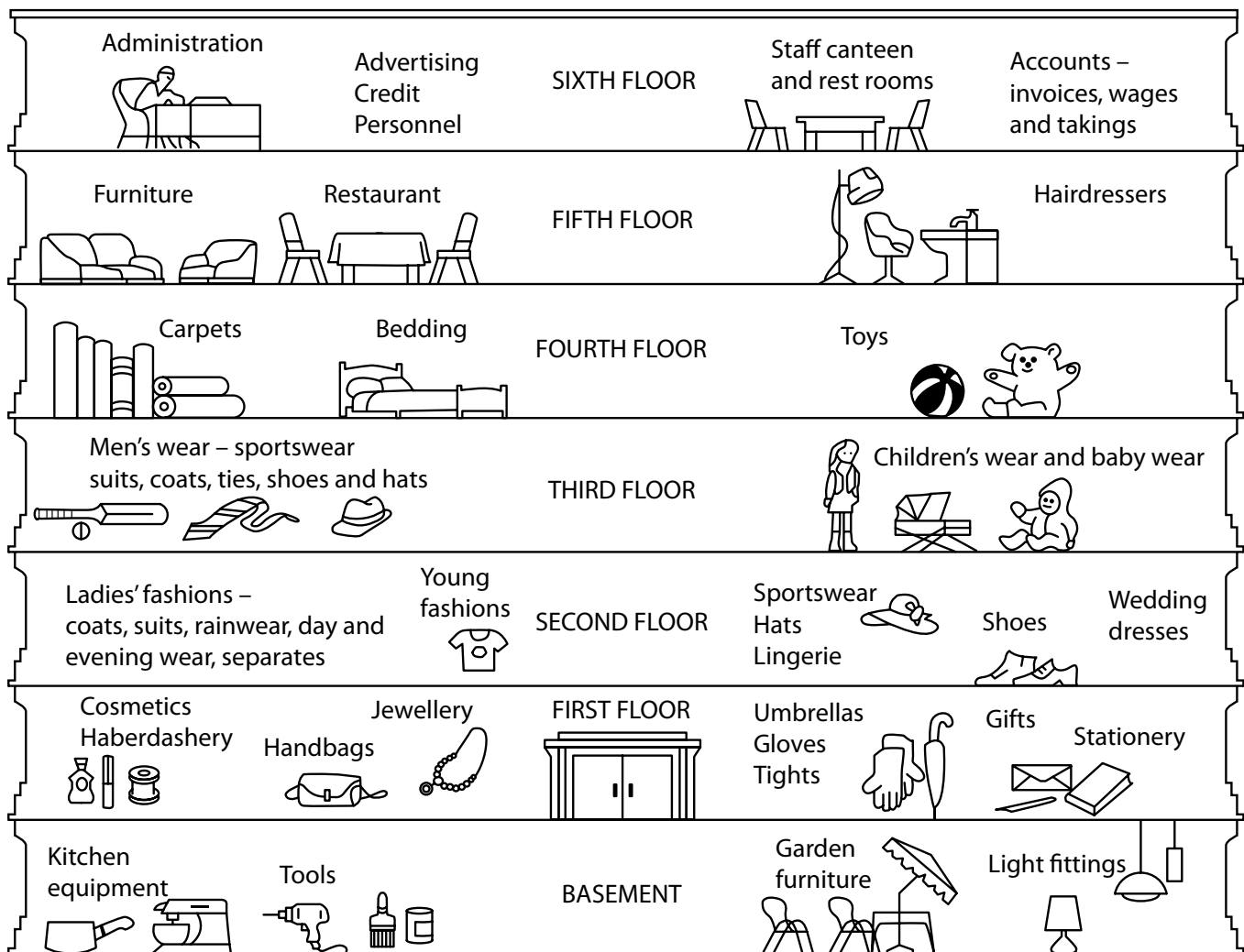
(Total for Question 13 = 4 marks)



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14 The diagram below shows the plan of a large retail shop.



(a) (i) Identify the type of retail shop shown in the diagram above.

(1)

(ii) Why might this type of retail shop have furniture and the hairdressers on a top floor?

(2)

(b) Why are a large number of retail shops typically located in city centres?

(3)

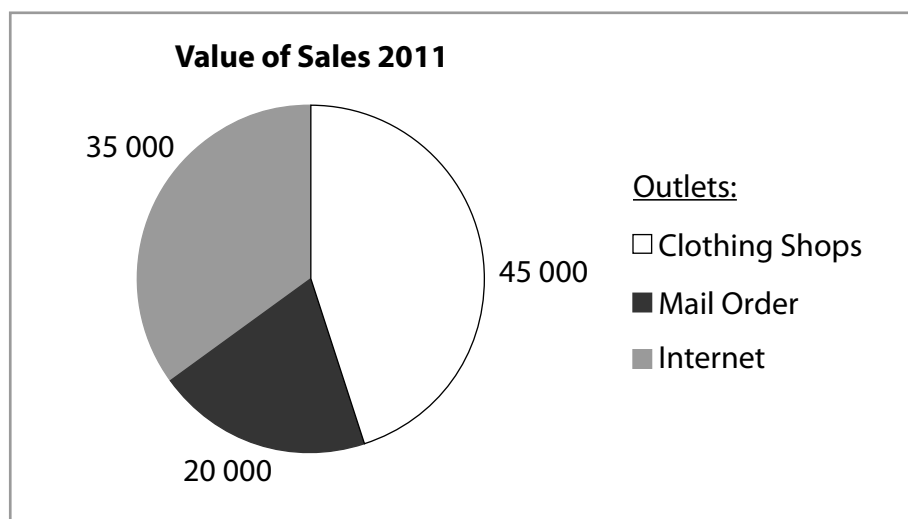
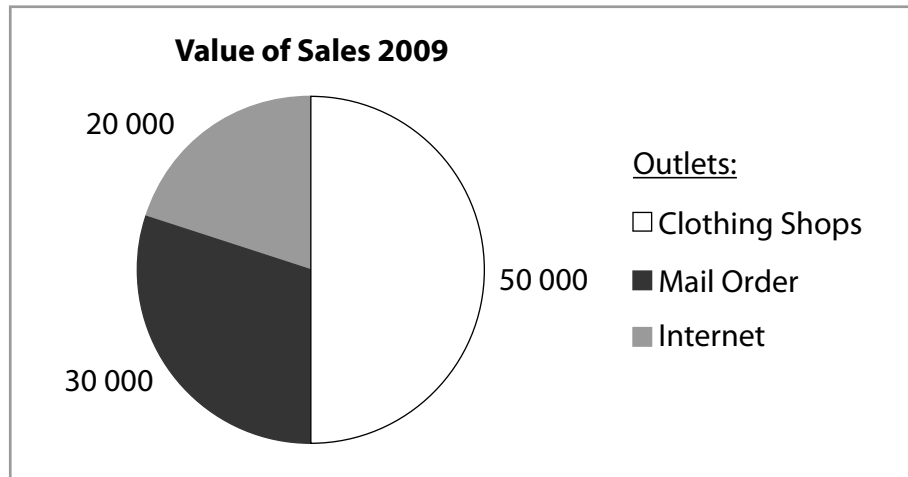
(Total for Question 14 = 6 marks)



15 Joyce & Partners sell a range of clothing through several types of retail outlet.

The pie charts below show the value of sales through these outlets for the years 2009 and 2011.

Study them and then answer the questions that follow.



- (a) (i) Calculate the percentage increase in internet sales by Joyce & Partners between 2009 and 2011. Show your working.

(2)

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(ii) Why might Joyce & Partners sell its clothing using the Internet?

(4)

Joyce & Partners own ten shops.

(b) Suggest the benefits to Joyce & Partners of owning more than one shop.

(4)



- (c) (i) Explain why many customers buy goods, such as clothing, through mail order rather than from shops.

(6)

- (ii) Why might prices charged by mail order companies generally be higher than the prices charged for similar goods sold through clothing shops, such as Joyce & Partners shops?

(4)

(Total for Question 15 = 20 marks)



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- 16** Air Logistics is introducing a new air freight service between Dubai and London. The company has produced the following advertisement for this new service. Study it and then answer the questions that follow.

**NEW AIR FREIGHT SERVICE
BETWEEN DUBAI AND LONDON**

Air Logistics, the tenth biggest freight carrier in the world, wishes to announce the introduction of a new air freight service linking Dubai airport with London Gatwick airport. Our new service will begin on 1 April 2012. We use small containers and offer competitive rates.

- (a) (i) Identify **two** examples that make this an informative advertisement.

(2)

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- (ii) How might Air Logistics make the advertisement more persuasive?

(2)

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(b) Analyse **two** factors that a business would consider when deciding the type of freight transport it would use.

(6)

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(c) Why might Air Logistics make use of containers in its business?

(4)

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(d) Analyse **two** reasons for the continued growth of air freight.

(6)

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(Total for Question 16 = 20 marks)



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17 A cricket club has recently been promoted to a premier league. The cricket club is enjoying higher attendance figures and is planning an overseas tour to Australia next year. It uses a variety of spoken and written communication in its operations. Increasingly, it is making use of email and video conferencing in order to make its communications more effective.

- (a) (i) Give **two** examples of spoken communication which might be used by the cricket club.

(2)

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The cricket club has recently signed a new overseas professional bowler.

- (ii) Why might letters have been used during these negotiations rather than other forms of communication?

(3)

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(b) Why might the cricket club be increasing its use of email for many of its communications?

(5)

This image shows a full page of white paper with ten horizontal dashed lines, evenly spaced from top to bottom. The lines are thin and black, typical of primary or elementary school writing paper. There are no margins, text, or other markings on the page.

(c) Analyse **two** benefits to a business of using video conferencing.

(6)

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(d) What would be the advantages to supporters if the cricket club had its own website?

(4)

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(Total for Question 17 = 20 marks)

TOTAL FOR PAPER = 100 MARKS

