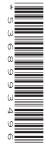




Cambridge O Level

CANDIDATE NAME					
CENTRE NUMBER			CANDIDATE NUMBER		



COMMERCE 7100/22

Paper 2 Written October/November 2024

2 hours

You must answer on the question paper.

No additional materials are needed.

INSTRUCTIONS

- Answer all questions.
- Use a black or dark blue pen.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen or correction fluid.
- Do not write on any bar codes.
- You may use a calculator.

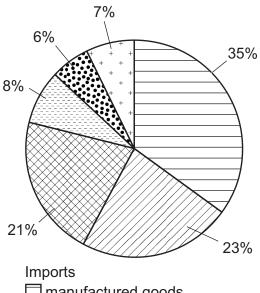
INFORMATION

- The total mark for this paper is 80.
- The number of marks for each question or part question is shown in brackets [].

This document has 16 pages. Any blank pages are indicated.

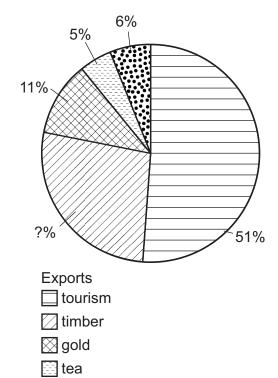
Fig. 1.1 shows a country's imports and exports.

Imports



- manufactured goods
- electrical goods
- M food
- oil
- :: chemicals
- + banking

Exports



sugar

Fig. 1.1

2

Use Fig. 1.1 to help you answer the following questions.

(i)	Identify the one tertiary import activity of this country.							
	[1]							
(ii)	Calculate the percentage of timber exported by this country.							

(c)

(d)



(b) Explain two reasons why countries use shipping containers to import food.

3

4
1
2
4
[4]
An importer has not received their order from an exporter.
Do you think the importer should use email, rather than telephone, to contact the exporter? Give reasons for your answer.
[3]
Circle the correct answer to complete each of the following sentences.
Oil is a
renewable resource OR non-renewable resource.
Tourism is an example of

visible trade **OR** invisible trade.

[2]



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	4
--	---

(e)	Evaluate the benefits of using an overseas agent when exporting goods.
	[6]

[Total: 17]



5

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2 FF Freight Forwarders is introducing a new freight service between the UK and Asia. Fig. 2.1 shows the advertisement it produced.

NEW FREIGHT SERVICE

FF Freight Forwarders, the ninth biggest freight forwarder in the UK, wants to announce a new air cargo service from the UK to Asia. Our new service will begin on 10th December, 2024 from Glasgow Airport. We look forward to working with you. Please look at our website for our competitive rates.

Fig. 2.1

Use Fig. 2.1 to help you answer the following questions.

(a)	(i)	Identify two examples that make this an informative advertisement.	
		1	
		2	
			[2]
	(ii)	Explain one way that this advertisement could be more persuasive.	
(b)	Sta	te three services offered by a freight forwarder, other than transport.	
	1		
			[3]



(c) A business wants to use air transport to send medical supplies to another country. Security is a factor when transporting goods.

7

Which factor is	s more impor	tant? Give re	easons for y	our answer.	g air transport.
					 [6]

[Total: 13]

Wesley has opened a small cinema with 200 seats. It has 14 movie showings per week. There is a 45% average attendance with a ticket price of \$6.

(a)	Calculate the weekly sales revenue. Show your working.
	[4]
(b)	Suggest two sales promotion methods that Wesley might use to increase bookings.
	1
	2
	[2]
(c)	Wesley accepts payment for tickets by a variety of methods, but no longer accepts cash.
	Do you think it is a good idea for Wesley to not accept payment by cash for cinema tickets? Give reasons for your answer.



9

credit card.
[6]
[Total: 15]

4 Celine has bought an apple farm which has a warehouse for tools and equipment. She needs insurance cover. Fig. 4.1 shows the six stages she needs to follow to take out insurance.

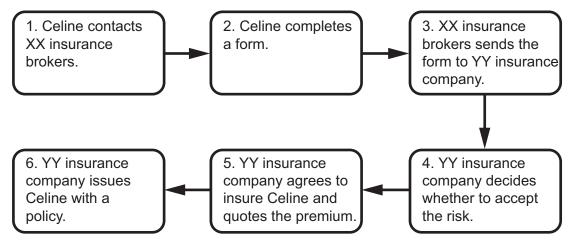


Fig. 4.1

Use Fig. 4.1 to help you answer the following questions.

(a)	(i)	Identify the form that Celine completes in Stage 2.	
	(ii)	Identify the insured.	
(b)	Ехр	lain two reasons why Celine should insure her business.	
	1		
	2		
			 [4]



(c) Explain how warehousing might assist Celine to:

(i)	stabilise the price of her apples.
	[2]
(ii)	satisfy the seasonal demand for apples.
	rei

11

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(d) Celine is considering two options to sell her apples:

Option 1: street market stall

Option 2: local supermarket

Discuss each of these two options. Which would you recommend? Give reasons for you answer.	ır
	••
	••
	••
	••
	••
	••
[8]	3]



13

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5	TT Wholesalers purchased 600 pairs of boots from Shoeee Ltd, a manufacturer. The invoice
	included cash and trade discount. Shoeee Ltd wants TT Wholesalers to make an online payment by debit card.

(a)	(i)	What do the letters Ltd mean in a company name?					
		[1]					
	(ii)	Explain one difference between cash discount and trade discount.					
		[2]					
(b)	Do you think an online payment by debit card is the best way for TT Wholesalers to make the payment? Give reasons for your answer.						
		[3]					
(c)	Whi	ch of these statements about banking services are TRUE and which are FALSE?					
	Tick	(/) TRUE or FALSE in the correct column.					

	IRUE	FALSE
Mobile banking is accessed through an app.		
ATMs can be used at any time.		
Savings accounts allow customers to have an overdraft limit.		

[3]



(d) Shoeee Ltd is looking to expand production to meet the demand for a new boot by buying more machinery. It is considering two options to finance these machines.

15

Option 1: hire purchase

Option 2: retained earnings (retained profits)

Discuss each of these two options. Vanswer.	Which would	you recommend?	Give reasons for your
			[8]
			[0]

[Total: 17]



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16

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