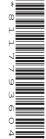




Cambridge O Level

| CANDIDATE NAME | | | | | |
|-------------------|--|--|---------------------|--|--|
| CENTRE NUMBER | | | CANDIDATE NUMBER | | |



COMMERCE 7100/22

Paper 2 Written May/June 2025

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.

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[Turn over

1 Fig. 1.1 shows the percentage share of the global freight transport market carried by different methods of transport.

2

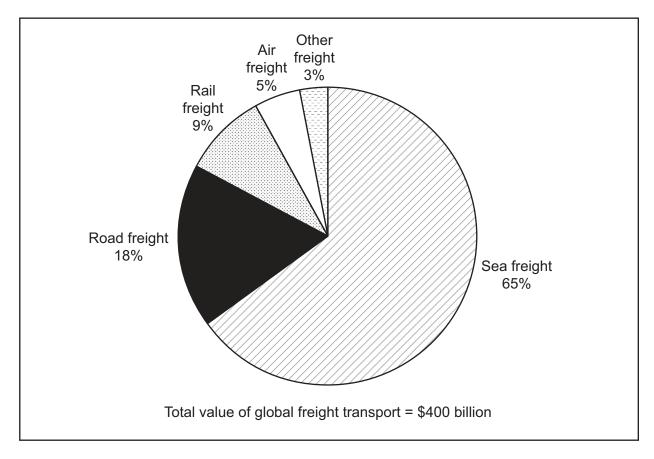


Fig. 1.1

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

| (i) | Define global market. |
|-------|--|
| | [1] |
| (ii) | State one method of transport that might be included in 'Other freight'. |
| | |
| | [1] |
| (iii) | Calculate the total value of global freight carried by road and rail transport. Show your working. |
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| | ioi |

(c)

(d)

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(b) Explain two reasons why the percentage of global goods carried by air is low.

3

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| 2 | |
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| | |
| | [4] |
| Do you think businesses should use less packaging when transfor your answer. | nsporting goods? Give reasons |
| | |
| | |
| | |
| | |
| | |
| Circle the correct answer to complete each of the following se | ntences. |
| The transport document that shows the freight charged | l for goods is a |
| bill of lading OR consignment no | ote. |
| Businesses search for sustainable transport solu | utions to |
| invest money OR save mone | у. |

[2]

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| (e) | Discuss how important it is for retailers to locate their shops near to transport links. Give reasons for your answer. |
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| | [6] |

[Total: 19]

- **2** DS is a department store. It offers a variety of credit facilities to its customers, including store cards and hire purchase.

d) Fig. 2.1 shows an extract of financial information on 30 April 2025 for DS.

| | \$ |
|----------------|---------|
| Inventory | 370 000 |
| Bank overdraft | 45 000 |
| Cash | 20 000 |
| Trade payables | 310 000 |

Fig. 2.1

| | Using Fig. 2.1, calculate the working capital for DS. Show your working. |
|-----|---|
| | |
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| | |
| | [3] |
| (e) | DS is considering leasing space in its store to a clothing brand. |
| | Discuss whether DS should lease space in its store to another business. Give reasons for your answer. |
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| | [6] |

(b)

(c)



7

3 FF Ltd is a food processing company in India. It has received a \$30 million export order for canned meat from a new customer in the United States.

| Explain what is meant by an export order. |
|--|
| |
| |
| |
| [2 |
| Describe how FF Ltd will contribute to India's Balance of Trade. |
| |
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| |
| [2 |
| Explain the effect on FF Ltd if the United States introduces import quotas on canned mea from India. |
| |
| |
| |
| |

FF Ltd is experiencing a delay with the delivery of this export order and needs to communicate with the customer.

Evaluate whether FF Ltd should use written or oral communication to communicate with the

| customer. answer. | Discuss | both | options. | Which | option | do you | recomr | nend? | Give | reasons | for yo | our |
|----------------------|---|-------|----------|-------|--------|--------|--------|-------|------|---------|--------|-----|
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[Total: 14]



4 Jinani owns a roadside stall selling fruit and vegetables. She obtains her fruit from a wholesaler and grows her own vegetables to sell. She only accepts payment by cash from her customers.

(a) Identify the two sectors of production that Jinani is involved in.

| | 1 | |
|-----|--|-------------|
| | | |
| | | |
| | 2 | |
| | | [2] |
| (b) | Explain one reason why Jinani only accepts payment by cash. | <u>[</u> 4. |
| | | |
| | | |
| | | |
| | | [2] |
| (c) | Explain how a wholesaler assists in stabilising the price of fruit and vegetables. | |
| | | |
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| | | [3] |
| | | 1.) |

[2]

(d) Fig. 4.1 shows the statement of account received by Jinani from the wholesaler at the end of April 2025.

10

Using the information given in Fig. 4.1, complete (i)-(ii) on the statement of account.

STATEMENT OF ACCOUNT

To: Jinani fruit and vegetables

Market Road

Date: 30 April 2025

Lahore

From: FV Wholesalers

High Road Lahore

Terms: 5% 30 days

| Date | Details | Debits \$ | Credits \$ | Balance \$ |
|----------|-------------|--------------|---------------|---------------|
| 2 April | Invoice | 150 | | 150 |
| 9 April | Invoice | 180 | | 330 |
| 16 April | Credit note | | 60 | (i) |
| 23 April | Invoice | 140 | | (ii) |
| 30 April | Invoice | 115 | | 555 |

Fig. 4.1

| (e) | Explain the meaning of Terms: 5% 30 days. |
|-----|---|
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| | 21 |



(f) Some businesses do not accept payment by cash.

| Evaluate the advantages and disadvantages to businesses of only accepting cashles payments. | S |
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| [8 | }] |

11

[Total: 19]





Fig. 5.1 shows a poster advertising a theme park's rides.

JUST FOR YOU

10% off 10 rides

We've got a 5-star rating – it's time to treat yourself. Get up to 10% off 10 rides only until June 30.

12

RIDE AND SAVE

There is insurance protection on all rides

Fig. 5.1

Use Fig. 5.1 to help you answer the following questions.

| | [1] |
|--|---------|
| (ii) Do you think this poster is an effective advertisement? Give reasons for your | answer. |
| | |
| | |
| | |
| | |
| | |



(b) Which of these statements about insurance are true and which are false? Tick (✓) TRUE or FALSE in the correct column.

| | TRUE | FALSE |
|---|------|-------|
| The theme park is the insurer providing insurance protection. | | |
| Public liability insurance covers claims from customers due to an accident on a ride. | | |
| Theme park discount codes can reduce insurance premiums. | | |

13

[3]

| (c) | Evaluate two important insurance principles when making a claim for fire damage to a theme-park building, costing \$400 000 to repair. Give reasons for your answer. |
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[Total: 13]





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