

Paper Reference 4BS1/02
Pearson Edexcel
International GCSE

Business
Paper 2: Investigating Large Businesses

Friday 24 May 2019 – Afternoon

Data Book

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

INSTRUCTIONS

There may be spare copies of some data sheets in case you need them.

THIS DATA BOOK *MUST* BE RETURNED WITH THE QUESTION PAPER AT THE END OF THE EXAMINATION.

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FORMULAE FOR INTERNATIONAL GCSE BUSINESS STUDIES

Gross profit margin:

Gross profit = revenue – cost of sales

$$\text{Gross profit margin} = \frac{\text{gross profit}}{\text{revenue}} \times 100$$

Operating profit margin:

Operating profit = gross profit – other operating expenses

$$\text{Operating profit margin} = \frac{\text{operating profit}}{\text{revenue}} \times 100$$

Mark up:

$$\text{Mark up} = \frac{\text{profit per item}}{\text{cost per item}} \times 100$$

Return on capital employed (ROCE):

$$\text{ROCE} = \frac{\text{operating profit}}{\text{capital employed}} \times 100$$

Current ratio:

$$\text{Current ratio} = \frac{\text{current assets}}{\text{current liabilities}}$$

Acid test ratio:

$$\text{Acid test ratio} = \frac{\text{current assets} - \text{inventory}}{\text{current liabilities}}$$

Question 1

Tata Motor Company began trading in 1868, and is now part of a large group of companies that is estimated to be worth \$100 billion. **Tata Motor Company** manufactures a wide range of cars, buses and trucks. It is India's largest maker of vehicles with manufacturing centres in many countries including Korea, Italy and the UK.

One of the main aims of **Tata Motor Company** is to produce goods that the public want and need. It is currently working on electric cars that are more environmentally friendly. **Tata Motor Company** plays an active role in community development such as building schools, houses and investing in the health and welfare of local people.

(Source adapted from: <https://www.tatamotors.com/about-us/>)

Question 1(a)(v)

Production each month	2,400
Average price per tyre	€27
Variable costs per tyre	€12
Fixed costs per month	€6 000

Question 3

Year	US\$ (millions)
2011	18 441
2013	28 508
2015	39 737
2017	42 839