

Paper Reference 4BS1/01
Pearson Edexcel
International GCSE

Business
PAPER 1: Investigating small businesses

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

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

Nantgwynfaen Organic Farm (NOF) is a farm growing a range of fruit and vegetables. It has a farm shop and offers accommodation with breakfast. It was set up by Amanda and Ken Edwards in West Wales, UK.

NOF supports farmers by selling local organic produce in its farm shop. The produce from the farm shop is served to the visitors staying overnight at the farm.

NOF is committed to being environmentally friendly by recycling, avoiding the use of packaging and reducing the use of electricity.

Question 1(e)

	£000s
Revenue	160
Cost of sales	70
Gross profit	90
Other operating expenses	10

Question 4(a)

	£
Current assets	300 000
Stock	50 000
Current liabilities	220 000