Please check the examination details below before entering your candidate information

| Candidate surname | Other names |
|---|---|
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Centre Number | Candidate Number

# Pearson Edexcel International GCSE

**Thursday 21 May 2026**

Afternoon (Time: 1 hour 30 minutes) | **Paper reference** **4BS1/02R**

# Business

## PAPER 2: Investigating large businesses

**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 80.
- The marks for **each** question are shown in brackets – *use this as a guide as to how much time to spend on each question.*
- Calculators may be used.

## Advice

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

*Turn over* ▶

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P 7 9 4 6 1 A 0 1 2 0

Pearson

## 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

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

**Markup:**

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

**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:**

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





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**Answer ALL questions. Write your answers in the spaces provided.**

**Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.**

Apple was started in the US in 1976 by Steve Jobs and Steve Wozniak. The friends started the business as a partnership after dropping out of college. For the first few years they worked from a garage belonging to the parents of Steve Jobs.

In 1980 Apple became a public limited company. It now employs 164,000 people around the world. The business is famous for a range of products including the iPhone, MacBook laptops and the Apple smartwatch. The business is well-known for its innovation, with Apple products being continually improved and updated.

Apple is a multinational company. Products are designed in the US but are manufactured in China, India and Vietnam. Apple's main competitors are Xiaomi, Oppo and Samsung. There is also increased competition from businesses such as Huawei, OnePlus and Motorola which are manufacturing cheaper smartphones.

**1** (a) (i) Which **one** of the following is a method of gathering secondary research?

Select **one** answer.

**(1)**

☒ **A** Observations

☒ **B** Government report

☒ **C** Focus group

☒ **D** Test marketing

(ii) Which **one** of the following is an example of a service?

Select **one** answer.

**(1)**

☒ **A** A hairbrush

☒ **B** A train ride

☒ **C** A table

☒ **D** A bed

**Figure 1** shows the number of cakes sold in a cafe on 1 January.

| Product | Quantity sold | Price |
|---|---|---|
| **Large cake** | 70 | £10 |
| **Small cake** | 50 | £2 |

**Figure 1**

(iii) Which **one** of the following is the total revenue for the sale of large cakes on 1 January?

Select **one** answer.

**(1)**

☒ **A** £100

☒ **B** £600

☒ **C** £700

☒ **D** £800

(iv) Which **one** of the following is a threat of globalisation to a business?

Select **one** answer.

**(1)**

☒ **A** Increased sales

☒ **B** Increased competition

☒ **C** Access to new customers

☒ **D** Potential to increase brand awareness

**Figure 2** shows a break-even chart.

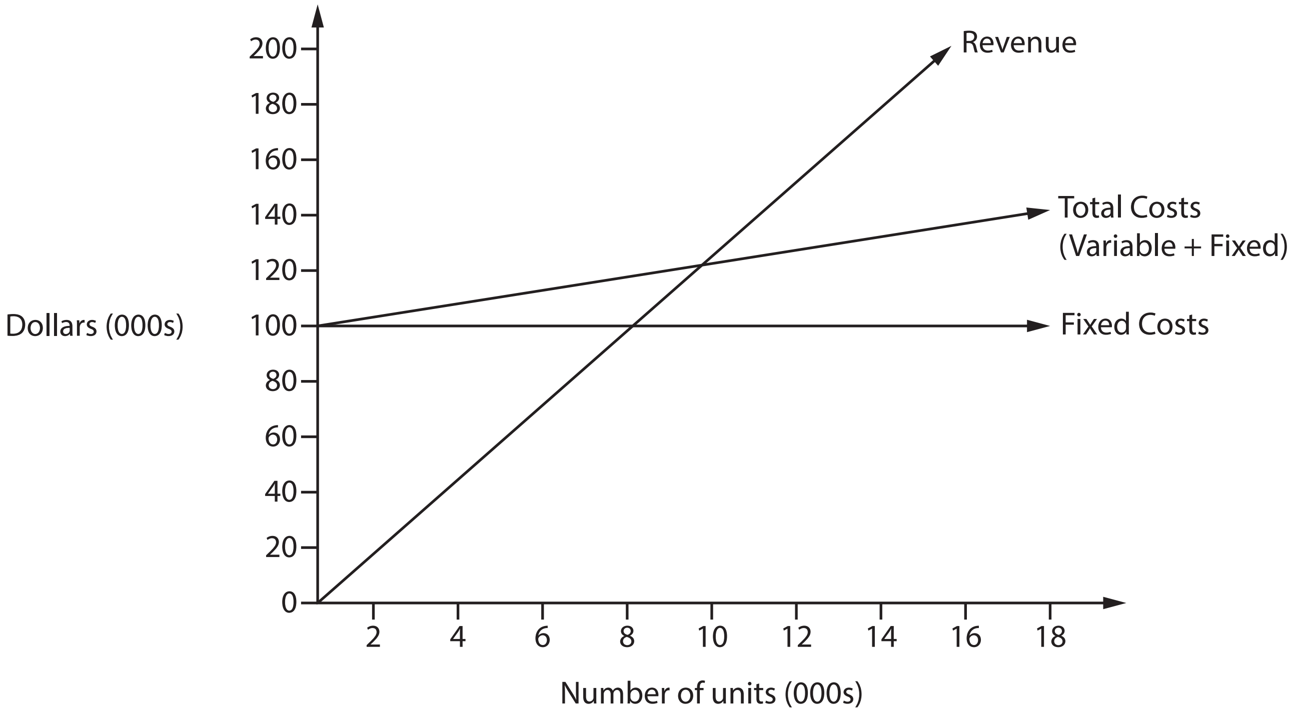


**Figure 2**

(v) Which **one** of the following represents the break-even point?

Select **one** answer.

**(1)**

- ☒ **A** 2 000 units
- ☒ **B** 8 000 units
- ☒ **C** 10 000 units
- ☒ **D** 18 000 units

(vi) Which **one** of the following is a financial method of motivation?

Select **one** answer.

**(1)**

- ☒ **A** Job rotation
- ☒ **B** Commission
- ☒ **C** Job enrichment
- ☒ **D** Autonomy

(b) Define the term **business objective**.

**(1)**

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(c) Define the term **franchise**.

**(1)**

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(d) State **one** task that an employee of Apple might do in the marketing functional area.

**(1)**

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**Figure 3** shows a monthly cash flow forecast for a business.

| | **€ (euros)** |
|---|---|
| **Opening balance** | 8 000 |
| **Cash inflow** | 12 000 |
| **Cash outflow** | 13 000 |

**Figure 3**

(e) Using Figure 3, calculate the closing balance for the business. You are advised to show your working.

**(2)**

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(f) Explain **one** advantage for a shareholder of having limited liability.

**(3)**

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(g) Analyse the advantages for Steve Jobs and Steve Wozniak of starting the business as a partnership.

**(6)**

**(Total for Question 1 = 20 marks)**

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**2** (a) State **one** reason why Apple would use total quality management (TQM).

**(1)**

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(b) State **one** reason why increased competition may be a problem for Apple.

**(1)**

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(c) Explain **one** advantage for a business of using temporary employees.

**(3)**

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(d) Explain **one** advantage of on-the-job training for a business.

**(3)**

(e) Explain **one** disadvantage for an entrepreneur of using venture capital to start a business.

**(3)**

Apple wants to increase its sales in India.

Apple is considering the following two options:

**Option 1:** increase its spending on TV advertisements

**Option 2:** offer university students free AirPods (wireless headphones) when purchasing a MacBook laptop.

(f) Justify which **one** of these two options Apple should choose to increase sales in India.

**(9)**

**(Total for Question 2 = 20 marks)**

**3** (a) Define the term **tariff**.

**(1)**

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(b) Outline **one** reason why shareholder satisfaction is important to Apple.

**(2)**

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**Figure 4** shows the price of a smartphone sold in 2024 and 2025.

| **Year** | **2024** | **2025** |
|---|---|---|
| **Price** | $1 000 | $1 150 |

**Figure 4**

(c) Using Figure 4, calculate the percentage increase in the price of the smartphone between 2024 and 2025. You are advised to show your working.

**(2)**

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(d) Analyse the advantages for Apple of being a multinational company (MNC).

**(6)**

Apple wants to increase its market share in Mexico, Turkey and Saudi Arabia and is considering its methods of distribution.

It is considering the following two options:

**Option 1:** open more retail stores in these countries

**Option 2:** improve its e-commerce in these countries.

(e) Justify which **one** of these two options Apple should choose to increase its market share.

**(9)**

**(Total for Question 3 = 20 marks)**

**4** **Figure 5** shows an extract from a statement of financial position.

| | $ (US dollars) |
|---|---|
| **Non-current assets** | 115 000 |
| **Cash** | 60 000 |
| **Inventory** | 16 000 |
| **Current liabilities** | 30 000 |

**Figure 5**

(a) Using Figure 5, calculate, to **two** decimal places, the current ratio. You are advised to show your working.

**(2)**

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(b) Analyse the disadvantages for Apple of using flow production when manufacturing products.

**(6)**

The smartphone market is changing with customers now looking for new features, new applications and folding devices. Some customers have limited income and are looking to buy cheaper phones.

(c) Evaluate the importance of Apple responding to changes in the market. You should use the information provided as well as your own knowledge of business.

**(12)**

**(Total for Question 4 = 20 marks)**

**TOTAL FOR PAPER = 80 MARKS**

**Source:**

www.apple.com