

Cambridge International Examinations

Cambridge International General Certificate of Secondary Education

| FNTERPRISE | | | 0454 | /11 |
|-------------------|--|---------------------|------|-----|
| CENTRE NUMBER | | CANDIDATE NUMBER | | |
| CANDIDATE NAME | | | | |

Paper 1 May/June 2016 1 hour 30 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

Do not use staples, paper clips, glue or correction fluid.

DO NOT WRITE IN ANY BARCODES.

Answer **all** questions.

Each candidate should have received a copy of the case study prior to the examination.

A clean copy of the case study has been provided with this Question Paper.

The businesses described in this Question Paper are entirely fictitious.

Your answers must be based on the case study and your own enterprise experience and knowledge.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.

The syllabus is approved for use in England, Wales and Northern Ireland as a Cambridge International Level 1/Level 2 Certificate.

This document consists of 12 printed pages, 4 blank pages and 1 Insert.



Section A

Answer all the questions.

| 1 | | teacher asked the students to give examples of ways that they had been enterprising at ool or at home. |
|---|-----|--|
| | (a) | Explain the term 'enterprise'. |
| | | |
| | | |
| | | |
| | | [2] |
| | (b) | Identify and explain three possible ways of being enterprising at school or at home. |
| | | 1 Identify |
| | | Explain |
| | | |
| | | |
| | | 2 Identify |
| | | Explain |
| | | |
| | | |
| | | 3 Identify |
| | | Explain |

[Total: 8]

A PESTEL analysis helps to identify the risks of an enterprise.

2

| (a) | State what the letters PESTEL stand for. | |
|-----|---|------------|
| | P | |
| | E | |
| | S | |
| | T | |
| | E | |
| | L[4 | -1 |
| (b) | Explain one reason why governments set laws and regulations that can affect the start-up of an enterprise. | |
| | | |
| | | |
| | | |
| | [2 | <u>'</u>] |
| (c) | Explain how two risks experienced during your enterprise project had an impact on the enterprise. | Э |
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[Total: 12]

| - | ana knew that she needed to plan carefully and to use appropriate language in her negotiation. |
|-----|--|
| (a) | Explain the term 'negotiation'. |
| | |
| | |
| | |
| | [2] |
| (b) | Identify two questions an entrepreneur should consider when planning for a negotiation. |
| (5) | |
| | 1 |
| | |
| | 2 |
| | [2] |
| (c) | Aiyana was negotiating with her family for the fruit. She knew that her language should be different than when talking with them informally. |
| | Explain why the language in a negotiation should be different from language used with friends. Use an example to support your answer. |
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| | |
| | [6] |

[Total: 10]

Ezequiel produced a budget for the fruit drinks.

4

| (a) | Ехр | lain the difference between the following terms: |
|-----|-------|--|
| | (i) | fixed costs and variable costs |
| | | |
| | | |
| | | |
| | | |
| | | [2] |
| | (ii) | revenue and profit. |
| | | |
| | | |
| | | |
| | | |
| | | [2] |
| (b) | | lyse the usefulness of budgeting to enterprises. Use an example from either the case ly or your own enterprise project of how a budget was used, to support your answer. |
| | otac | y or your own orner project or now a badget was assa, to support your anomen. |
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| | | [6] |
| | ••••• | |
| | | [Total: 10] |

The friends had not thought about the marketing of their drinks.

5

| (a) | Exp | plain one potential benefit of marketing to: |
|-----|------|--|
| | (i) | a customer |
| | | |
| | | |
| | | [2] |
| | (ii) | an enterprise. |
| | | |
| | | |
| | | [2] |
| (b) | Exp | lain the benefits and drawbacks of internet advertising to this fruit drinks enterprise. |
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| | | |
| | | [6] |
| | | [Total: 10] |

Section B

Answer all the questions.

You may use the case study, your own enterprise experience and your knowledge of enterprise where appropriate to answer the following questions.

| 6 | (a) | Aiyana's family were willing to accept delayed payment. |
|---|-----|--|
| | | Discuss the advantages and disadvantages to Aiyana's family of offering delayed payment to the new enterprise. [10] |
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| Evalua | te the impo | rtance of f | inancial d | ocuments | s to the op | peration of | the fruit d | rinks enter |
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| Discuss the importance of planning to the success of your enterprise project . Use example to support your answer. [1 |
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| (b) | Harley completed the market research for the project. |
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| | Evaluate the methods of market research that would be most suitable for identifying potentia customers for your enterprise project . [15] |
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