

### **Cambridge International Examinations**

Cambridge International General Certificate of Secondary Education

	CANDIDATE NUMBER	
		0454/11
		May/June 2017
		1 hour 30 minutes
wer on the Question Paper.		
aterials are required.		
	·	NUMBER wer on the Question Paper.

#### **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.

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.



## **Section A**

# Answer all the questions.

1

All e	enterprises face challenges and opportunities.
(a)	Identify <b>two</b> challenges facing an enterprise.
	1
	2[2]
(b)	Identify two ways in which opportunities for enterprise may arise.
	1
	2
	[2]
(c)	Explain how Saburo and Barak used <b>two</b> opportunities for enterprise during the growth of Saba Sauces.
	[6]

Sab	ouro and Barak were going to negotiate to sell their sauces nationally.
(a)	What is meant by negotiation?
	[2]
(b)	Identify <b>two</b> steps involved in the negotiation process.
	1
	2
	[2]
(c)	Explain <b>two</b> factors that contributed to the success of the negotiations you were involved in
	as part of your enterprise project.
	[6]
	[Total: 10]

The business advisor explained the different sources of finance.

(a)	Wh	at is the difference between the following terms?
	(i)	overdrafts and mortgages
		[2]
	(ii)	losses and cash flow deficit
	/:::\	[2]
	(iii)	creditor and debtor
		[2]
(b)	Exp fina	plain <b>one</b> advantage and <b>one</b> disadvantage of using profits for reinvestment as a source of nce for an enterprise.
	Adv	vantage
	Dis	advantage
		[4]

[Total: 10]

3

Sabu	ro and Barak used meetings in their enterprise.
(a) S	State <b>two other</b> external methods of communication used by an enterprise.
1	l
2	2[2]
(b) l	dentify <b>two</b> ways an enterprise can retain existing customers.
1	l
2	<u>)</u>
	[2]
	Explain why it will be important for Saburo and Barak to keep their existing customers as they expand.
	[6]
	[Total: 10]

(a)	lder	ntify <b>two</b> business objectives for an enterprise.	
	1		
	2		
			[2]
(b)	List	two pieces of financial information that are normally included in a business plan.	
	1		
	2		[2]
(c)	(i)	Identify two decisions made in your enterprise project.	
		1	
		2	
			[2]
	(ii)	Explain the impact each decision had on your enterprise project.	
		1	
		2	
			[4]
		[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)	The business advisor asked for a copy of the completed business plan.	
		Discuss how important the business plan was to Saba Sauces.	[10]

))	The business advisor suggested that Saba Sauces become a limited company.
	Recommend whether Saba Sauces should remain a partnership or become a limited company as the enterprise expands. Justify your decision. [15]


	Discuss how laws and regulations affected, or could have affected, the operation of <b>yo</b> enterprise project. [1
-	

- **(b)** Saburo and Barak had not completed any market research before starting their enterprise. They considered using:
  - a questionnaire
  - interviews with potential customers
  - internet research
  - · records of similar enterprises

Evaluate <b>two</b> of these four methods of research which would have been suitable befo starting <b>your enterprise project</b> . Give reasons for your answer. [1					

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