

Cambridge International Examinations

Cambridge International General Certificate of Secondary Education

CANDIDATE NAME	
CENTRE NUMBER	CANDIDATE NUMBER
ENTERPRISE	0454/11
Paper 1	October/November 2018
	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.

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.

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



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Section A

Answer all the questions.

1	Tixy worked with Social Enterprise S to help overcome the problems associated with financing his
	project.

(a)	Exp	lain the term:	
	(i)	a social enterprise	
			.[2
	(ii)	Fairtrade.	
			.[2
(b)	Stat	e two types of business organisation, other than a social enterprise.	
	1		
	2		
			ſΟ

(c)	Explain how you solved two problems when operating your enterprise project .
	1
	2
	[6]
	[Total: 12]

Tixy wanted to give every household access to cheap and reliable lighting, but other stakeholders might have different objectives.		
(a)	Explain the term satisficing.	
	[2]	
(b)	Explain the difference between internal stakeholders and external stakeholders.	
(c)	Explain how Tixy met the needs or wants of two stakeholders in the Lighting Project.	
(0)	Stakeholder 1	
	Explanation	
	Stakeholder 2	
	Explanation	
	[6]	
	[Total: 10]	

3

Tixy	was responsible for some research.
(a)	State two methods used to research potential customers.
	1
	2[2]
(b)	
(D)	Explain one disadvantage of carrying out market research.
	[2]
(c)	Explain two reasons why it is important for the Lighting Project to continue to attract new customers for the solar-powered lamps.
	1
	2
	[6]
	[Total: 10]

The	profits made would be reinvested into making more lamps.
(a)	Explain the difference between investment and saving.
	rol
	[2]
(b)	State one way of investing money and one way of saving money.
	Investing
	Saving[2]
(c)	The language Tixy used when persuading volunteers he knew well to take part in the training was different to the language he used when negotiating with suppliers.
	Explain why the language Tixy used would be different. Use examples to support your answer
	[6]
	[Total: 10]

5

A pl	an w	as developed with support from Social Enterprise S.	
(a)	Stat	te two sources of help and support for an enterprise, other than a social enterprise.	
	1		
	2		[2
(b)	Stat	te two financial pieces of information usually included in a business plan.	
	1		
	2		[2
(c)	Ехр	lain one reason why each of the following is important to an enterprise:	
	(i)	financial records	
			[2
	(ii)	updating the business plan.	-
	()		
			-
		[Tot	:al: 8

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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)	Starting a new enterprise always involves risk.
	Discuss the various risks involved in attempting to make the Lighting Project a success. [10]

- (b) The Lighting Project was funded by:donations made to Social Enterprise S

 - profits made from the sale of lamps.

Evaluate the suitability of the above sources of finance, compared to a loan, for Project.	r the Lighting [15]

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7 (a)	Cash flow is one element of financial planning for enterprises.
	Discuss the importance of cash flow to the success of your enterprise project . [10]

- **(b)** Tixy used his negotiating skills when he bought the materials. The negotiation process involves a number of parts, including the following:
 - preparation
 - establishing a negotiating environment
 - negotiating your position
 - reaching agreement.

Evaluate which two parts of the negotiation process listed above were most important to success of any negotiations within your enterprise project .	o the [15]

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