

#### **Cambridge International Examinations**

Cambridge International General Certificate of Secondary Education

CANDIDATE NAME		
CENTRE NUMBER	CANDIDATE NUMBER	
ENTERPRISE		0454/12
Paper 1	Ma	ay/June 2015
	1 hou	r 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.

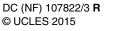
At the end of the examination, fasten all your work securely together.

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.

CAMBRIDGE
International Examinations

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



[Turn over

# **Section A**

# Answer all the questions.

All e	enter	prises involve rewards, challenges and risks.	
(a)	lder	ntify:	
	(i)	Two rewards	
	(ii)	Two challenges	
		facing an enterprise.	
		Rewards	
			[2]
		Challenges	
			[2]
(b)	Exp	lain how you dealt with <b>two</b> risks in <b>your enterprise project</b> .	
	1		
	•••••		
			•••
	2		
	•••••		•••
	••••		•••
			[6]

[Total: 10]

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Kirs	sty identified two business objectives for her enterprise: to make a profit and to be ethical.
(a)	Identify two other objectives that an enterprise may have.
	1
	2[2]
(b)	What is meant by profit?
	[2]
(c)	Explain how Kirsty's aim to be ethical would affect how she runs her enterprise.
	[6]
	[Total: 10]

Kirs	sty kr	new that an important step would be to produce a business plan.	
(a)	) Identify:		
	(i)	Two pieces of financial information	
	(ii)	Two pieces of non-financial information	
		that would usually be included in a business plan.	
		Financial information	
		[2]	
		Non-financial information	
		[2]	
<i>.</i>	_		
(b)		lain why it is necessary for an entrepreneur to produce a business plan before starting an erprise.	
		[6]	
		[Total: 10]	

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Kirs	ty went to her bank manager for formal support.
(a)	Identify two other sources of formal support for an enterprise.
	1
	2[2]
(b)	Identify <b>two other</b> types of financial institutions that could support an enterprise.
	1
	2[2]
(c)	Explain how you used formal and informal support in your enterprise project.
	[6]
	[Total: 10]

All e	enter	prises need to be concerned with finance and marketing.
(a)	Wh	at is meant by the following terms?
	(i)	Investment
		[1]
	(ii)	Savings
	` ,	
		[1]
(b)	Evn	plain <b>two</b> benefits of using personal savings as a source of finance for an enterprise.
(D)	•	
	1	
	2	
		[4]
(c)	Exp	lain <b>two</b> reasons why Kirsty needed to arrange the marketing of Kirsty's Designs.
	1	
	۷	
	••••	
	••••	
		[4]
		[Total: 10]

### **Section B**

# Answer all the questions.

Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 6(a).

6	(a)	The bank manager told Kirsty about the laws and regulations that could affect employment, marketing, production and selling.
		Discuss, using examples, how an enterprise could be affected by laws and regulations in <b>two</b> of these areas. [10]

Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 6(b).

(b)	Kirsty would need an additional source of finance to buy the computer and printer.
	Evaluate the most suitable method of finance that Kirsty could use to purchase these items. [15]

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Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 7(a).

	eetings you were involved in.
•••	
•••	
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•••	
•••	

Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 7(b).

(b)	There was only one thing left to do, and that was to arrange the marketing.
	Evaluate the effectiveness of the methods you used in <b>your enterprise project</b> to market your enterprise. [15]


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