

### **Cambridge Assessment International Education**

Cambridge International General Certificate of Secondary Education

CANDIDATE NAME	
CENTRE NUMBER	CANDIDATE NUMBER
ENTERPRISE	0454/12
Paper 1	October/November 2019
Candidates answer on the Question Paper.	1 hour 30 minutes

#### **READ THESE INSTRUCTIONS FIRST**

No Additional Materials are required.

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 regulated for use in England, Wales and Northern Ireland as a Cambridge International Level 1/Level 2 Certificate.

Cambridge Assessment
International Education

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



## **Section A**

# Answer **all** the questions.

Dillo	on understood the importance of planning to a new enterprise.
(a)	State <b>two</b> time periods in planning, other than medium-term.
	1
	2
(b)	State <b>two</b> pieces of information that are usually included in the 'description of enterprise' section of a business plan.
	1
	2
	[2]
(c)	Explain the effect on Dillon's enterprise of <b>two</b> problems with his business plan.
	Problem 1
	Effect
	Problem 2
	Effect
	[6]
	[7] [Total: 10]
	[ Iotal: 10]

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1

Dille	on completed some market research.
(a)	Explain the term market research.
	[2]
(b)	Explain <b>one</b> advantage and <b>one</b> disadvantage to an enterprise of using primary research.
	Advantage
	Disadvantage
	[4]
(c)	Explain <b>two</b> ways that market research helped in the operation of <b>your enterprise project</b> .
(0)	Use examples to support your answer.
	1
	2
	2
	2
	2
	2

[Total: 12] [Turn over

2

3	Dillo	on ne	gotiated with his parents for a loan to start his enterprise.
	(a)		te <b>two</b> situations where a negotiation might be used, other than for finance.
		2	[2]
	(b)		re <b>two</b> questions that entrepreneurs should consider when preparing for a negotiation.
		2	[2]
	(c)	(i)	Explain <b>one</b> disadvantage of a loan as a source of finance.
			[2]
		(ii)	State <b>two</b> sources of finance, other than a loan.
			1
			[Total: 8]

(a)	Stat	e two ways that opportunities for enterprise arise, other than identifying demand.
	1	
	2	
		[2
/l-\		
(b)	Exp	lain the term <i>expenditure on capital goods</i> .
		[2
(c)	Use	the information in the case study to answer the following questions.
	(i)	Calculate Dillon's expected revenue if he sells 200 ice creams. Show your working.
		[2
	/ii\	
	(ii)	Calculate Dillon's expected total variable costs for 200 ice creams. Show your working.
		[2
	(iii)	Explain <b>one</b> problem with the costs Dillon identified.
		01
		[2 [Total: 10

4

5 (a)	(a)	Explain <b>one</b> advantage and <b>one</b> disadvantage to an enterprise of operating as a sole trader.			
		Advantage			
		Disadvantage			
		[4]			
	(b)	Explain <b>two</b> suitable methods of marketing that Dillon could use to attract potential customers to his ice cream cart.			
		1			
		2			
		[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) There are many skills and attributes that are useful to entrepreneurs, including:
  - time management
  - problem-solving
  - taking responsibility
  - creativity.

Discuss the impor Use examples to su	tance to Dil ipport your ar	lon's enterpi nswer.	rise of <b>two</b>	of the skills	or attributes listed. [10]

- **(b)** Dillon wanted to start an enterprise dealing with food. His enterprise would be affected by a number of laws and regulations, including those in the following areas:
  - employment
  - production
  - selling.

Evaluate which <b>two</b> of these areas of laws or regulations would <b>most</b> affect Dillon's enterprise Justify your decision. [15]

[Total: 25]

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<i>i</i> (a)	for the negotiation.
	Discuss how you could have improved the effectiveness of the meetings you were involved in during <b>your enterprise project</b> . Use examples to support your answer. [10]

(b)	Dillon chose not to work with a partner in his enterprise.	
	Evaluate whether being a partnership business organisation was, or could have been, best option for your enterprise project. Justify your answer.	the [15]
		•••••

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