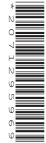


Cambridge IGCSE[™]

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ENTERPRISE 0454/13

Paper 1 May/June 2021

1 hour 30 minutes

You must answer on the question paper.

You will need: Insert (enclosed)

INSTRUCTIONS

- Answer all questions.
- Use a black or dark blue pen. You may use an HB pencil for any diagrams or graphs.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen or correction fluid.
- Do not write on any bar codes.

INFORMATION

- The total mark for this paper is 100.
- The number of marks for each question or part question is shown in brackets [].
- You should have received a copy of the case study before the examination. A copy of the case study is
 provided with this question paper as an insert.

This document has 16 pages. Any blank pages are indicated.

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[Turn over

Section A

Answer all questions.

The	re ar	e different stakeholders in Millie's boat trip enterprise.
(a)	Defi	ne the term stakeholder.
		[2]
(b)	Ехр	lain why each of the following are stakeholders in Millie's enterprise:
	(i)	the local boat owners
		[2]
	(ii)	the people on her sightseeing boat trips.
		[2]
	(a)	(a) Defi

(c)	Describe two reasons why laws or regulations are needed to protect Millie's stakeholders.
	1
	2
	[4]
	[Total: 10]

		d that changes in government policy could have an effect on the success of an enterprise, effect may be positive or negative.
(a)	ldei	ntify two ways that an entrepreneur can measure the success of their enterprise.
	1	
	2	[2]
(b)	-	plain one reason why it is important that an entrepreneur monitors the progress of their erprise.
		[2]
(c)	(i)	Explain one positive effect government policy might have on Millie's boat trip enterprise. Use an example to support your answer.
	(ii)	Explain one negative effect government policy might have on Millie's boat trip enterprise. Use an example to support your answer.
		[3]
		[Total: 10]

2

(a)	Def	ine the terms:
	(i)	income
		rol
	(ii)	expenditure. [2]
		[2]
(b)	(i)	Using Table 1, calculate Millie's fuel costs if she operates 80 boat trips in her first year.
		[2]
	(ii)	Using Table 1, calculate Millie's total revenue if she operates 80 boat trips in her first year.
		[2]
(c)	Des	scribe the possible impact on total profit if the cost of insurance increased to US\$275.
		[2]

[Total: 10]

3

	sha suggested Millie consider crowdfunding, a government grant or trade credit as sources of nce.
(a)	Identify two sources of finance, other than crowdfunding, a government grant or trade credit.
	1
	2[2]
(b)	Define the term <i>crowdfunding</i> .
	[2]
(c)	Explain one advantage and one disadvantage to Millie of using trade credit to finance the costs in Table 1.
	Advantage
	Disadvantage
	[6]
	[Total: 10]

(a)	Explain how Millie used two enterprise skills.
	1
	2
	[4]
(b)	Explain one advantage and one disadvantage to Kyle of operating in a partnership with Millie.
	Advantage
	Disadvantage
	[6]
	[Total: 10]

5

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Section B

Answer all questions.

a) Millie thought that a business plan was not needed for her boat trip enterprise.	
Analyse the importance of a business plan to Millie's boat trip enterprise.	[10]
	Analyse the importance of a business plan to Millie's boat trip enterprise.

- (b) Millie was given help and support by:Kyle and the other boat owners

 - her friend Keisha.

Evaluate the usefulness of each of these sources of help and support to Millie's enterpole	rise. [15]

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Analyse one positive impact and one negative impact that the operation of your enterprise project had, or could have had, on your local community. [10

- **(b)** There are factors an entrepreneur could consider when choosing methods of marketing communication. The factors include:
 - cost of method
 - method used by competitors
 - suitability of method for reaching the potential target market.

Evaluate which two of these factors were, or could have been, most important when choosing the methods of marketing communications for your enterprise project . Justify your choice, including why you rejected the other factor. [15]

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