



**Cambridge International Examinations**  
Cambridge International General Certificate of Secondary Education

CANDIDATE  
NAME

CENTRE  
NUMBER

--	--	--	--	--

CANDIDATE  
NUMBER

--	--	--	--



**ENTERPRISE**

**0454/01**

Paper 1

**October/November 2016**

**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.

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.

This document consists of **14** printed pages, **2** blank pages and **1** Insert.

**Section A**

Answer **all** the questions.

1 (a) State **two** skills needed to be enterprising.

1 .....

2 ..... [2]

(b) Identify **two** ways that opportunities for enterprise might arise.

1 .....

.....

2 .....

..... [2]

(c) Explain how **one** entrepreneur that you have studied used their entrepreneurial skills to be successful.

Name of entrepreneur .....

Explanation .....

.....

.....

.....

.....

.....

.....

.....

.....

..... [4]

**[Total: 8]**

2 Enterprises can be both rewarding and challenging.

(a) Identify and explain **two** potential rewards that an entrepreneur could gain from running an enterprise.

1 Identify .....

Explain .....

2 Identify .....

Explain .....

.....[4]

(b) Explain **two** challenges that you faced in **your enterprise project**.

1 .....

2 .....

.....[4]

[Total: 8]

3 The teacher suggested that Sadie and Megan complete a business plan for their enterprise idea.

(a) Explain the term 'business plan'.

.....  
.....  
.....  
..... [2]

(b) Identify **two** business objectives that a new enterprise might have.

1 .....  
.....  
2 .....  
..... [2]

(c) Sadie and Megan's planning was for the short-term time period only.

State **two** time periods in enterprise planning, other than short-term.

1 .....  
2 ..... [2]

(d) Describe **two** reasons the business plan of an enterprise would need to be updated.

1 .....  
.....  
.....  
.....  
2 .....  
.....  
.....  
..... [4]

**[Total: 10]**

4 Sadie and Megan asked their teacher to help them to complete the financial section of their business plan.

(a) What is meant by:

(i) revenue

.....  
.....[1]

(ii) expenditure

.....  
.....[1]

(iii) overheads

.....  
.....[1]

(iv) debt?

.....  
.....[1]

(b) Fig. 1 shows the Profit and Loss account for the enterprise idea.

**Profit and Loss account for Week 1**

	US\$
Revenue	<b>A</b>
Cost of boxes	30.00
Cost of food	100.00
<b>Gross Profit</b>	<b>B</b>
less expenditure on marketing	<b>C</b>
<b>Net Profit</b>	<b>D</b>

**Fig. 1**

Use the information in the case study to calculate the following amounts. Show your working where appropriate.

(i) Amount **A**.

.....

.....

.....

.....[3]

(ii) Amount **B**.

.....

.....[1]

(iii) Amount **C**.

.....

.....[1]

(iv) Amount **D**.

.....

.....[1]

(c) Explain whether making a profit was important for Sadie and Megan’s enterprise idea.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

[4]

**[Total: 14]**

5 Sadie and Megan used formal and informal methods of communication.

(a) Explain the term 'informal communication'.

.....  
.....  
.....  
..... [2]

(b) Name and explain **two** documents used in the organisation of a meeting.

1 Name .....  
Explain .....  
.....  
.....  
2 Name .....  
Explain .....  
.....  
..... [4]

(c) (i) Describe the purpose of **one** meeting held in **your enterprise project**.

.....  
.....  
.....  
..... [2]

(ii) Analyse the effectiveness of **this** meeting in reaching its purpose.

.....  
.....  
.....  
..... [2]

[Total: 10]





(b) Sadie and Megan decided to produce marketing materials.

Evaluate the effectiveness of **two** marketing methods which Sadie and Megan could use to promote their enterprise idea. [15]

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

A series of 25 horizontal dotted lines for writing.

**[Total: 25]**  
**[Turn over**



- 7 (a) Sadie and Megan knew that they would need to prepare carefully for their negotiation with the catering staff.

Discuss the effectiveness of your planning when you were preparing to negotiate, as part of **your enterprise project**. [10]

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

(b) The school canteen is run by a limited company but there are other types of business organisation, such as partnerships and sole traders.

Evaluate the **most** appropriate type of business organisation for **your enterprise project**. Justify your recommendation. [15]

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....



**BLANK PAGE**

---

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in the Cambridge International Examinations Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at [www.cie.org.uk](http://www.cie.org.uk) after the live examination series.

Cambridge International Examinations is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.