



Cambridge IGCSE™

CANDIDATE
NAME

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CENTRE
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ENTERPRISE

0454/12

Paper 1

May/June 2023

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 **12** pages.

Section A

Answer **all** questions.

1 Finn is an enterprising person with entrepreneurial skills.

(a) State **two** sources of help and support for enterprises.

1

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2

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[2]

(b) Identify **two** actions from the case study that show Finn is enterprising.

1

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2

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[2]

(c) (i) Explain **one** reason why being a sole trader is a disadvantage for Finn. Use an example from the case study to support your answer.

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..... [3]

(ii) Explain **one** other type of business organisation that may be suitable for Finn's enterprise. Use an example from the case study to support your answer.

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..... [3]

[Total: 10]

2 Finn did not complete any market research before starting his campervan conversion enterprise. He did not consider the importance of customer satisfaction to his enterprise.

(a) State **one** method of primary research.

..... [1]

(b) Explain **two** advantages to an enterprise of using primary research.

1

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2

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..... [4]

(c) State **two** ways entrepreneurs can make sure that their customers are satisfied.

1

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2

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..... [2]

(d) Explain **one** reason why customer satisfaction may be important for Finn's enterprise. Use an example from the case study to support your answer.

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..... [3]

[Total: 10]

3 The bank manager explained that enterprises need to keep financial records for many reasons.

(a) Explain **two** reasons why an enterprise needs to keep financial records.

1

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2

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[4]

(b) Prepare Finn’s cash flow forecast using information from the case study to complete (i), (ii), (iii) and (iv) in Table 1. Show your working.

Table 1

Cash flow forecast for one van conversion	
	US\$
Cash inflow:	
Sales revenue	(i) [1]
Cash outflow:	
Raw materials	(ii) [1]
Wages for 80 hours	(iii) [2]
Fuel for transport	20
Net cash flow	(iv) [1]

(c) Suggest **one** action an entrepreneur could take to improve net cashflow.

..... [1]

[Total: 10]

4 Legal obligations and ethical considerations are important for many enterprises.

(a) Explain **one** reason why governments set laws and regulations for enterprises.

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..... [2]

(b) Explain **one** way Finn may have broken a law or a regulation.

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..... [2]

(c) Explain **one** negative impact on Finn’s campervan conversion enterprise as a result of him breaking a law or a regulation.

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..... [3]

(d) Explain **one** reason why Finn may ignore ethical considerations in his campervan conversion enterprise. Use an example from the case study to support your answer.

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..... [3]

[Total: 10]

5 The bank manager explained to Finn that enterprises usually produce financial and non-financial documents.

(a) State **two** ways a bank can assist enterprises.

1

2 [2]

(b) Explain how **one** source of help and support, other than a bank, was used in **your enterprise project**.

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..... [3]

(c) (i) Explain **one** aim that you had in **your enterprise project**.

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..... [2]

(ii) Explain how **one** non-financial document helped you to achieve your aim in **your enterprise project**.

Non-financial document

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..... [3]

[Total: 10]

Section B

Answer **all** questions.

- 6 (a) Analyse how Finn used **two** enterprise skills in his campervan conversion enterprise. Use examples from the case study to support your answer.

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[Total: 25]

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