

# **Cambridge IGCSE**<sup>™</sup>

CANDIDATE NAME					
CENTRE NUMBER			CANDIDATE NUMBER		



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.

## **Section A**

# Answer all questions.

1	Fin	n is a	n enterprising person with entrepreneurial skills.						
	(a)	Sta	te <b>two</b> sources of help and support for enterprises.						
		1							
		2							
			[2]						
	(b)	lde	ntify <b>two</b> actions from the case study that show Finn is enterprising.						
	(3)								
		1							
		2							
			ro						
		413							
	(c)	(i)	Explain <b>one</b> reason why being a sole trader is a disadvantage for Finn. Use an example from the case study to support your answer.						
			[3]						
		(ii)	Explain <b>one</b> other type of business organisation that may be suitable for Finn's enterprise.						
		. ,	Use an example from the case study to support your answer.						
			[3]						

2

(a)	State <b>one</b> method of primary research.
	[1]
b)	Explain <b>two</b> advantages to an enterprise of using primary research.
	1
	2
	[4]
(c)	State <b>two</b> ways entrepreneurs can make sure that their customers are satisfied.
	1
	2
	[2]
(d)	Explain <b>one</b> reason why customer satisfaction may be important for Finn's enterprise. Use an example from the case study to support your answer.
	[3]

3

	hy an enterprise needs to keep financial records.
1	
2	
	ow forecast using information from the case study to complete (i), (
(iii) and (iv) in Table 1	
	Table 1
	Cash flow forecast for one van conversion
	US\$
Cash inflow:	
Cash illilow.	
Sales revenue	(i)
Sales revenue	(i) [
Sales revenue  Cash outflow:	
Sales revenue  Cash outflow:	
Sales revenue  Cash outflow:	(ii)
Sales revenue  Cash outflow:  Raw materials	(ii)
Cash outflow: Raw materials Wages for 80 hours	(iii) [
Sales revenue  Cash outflow:  Raw materials  Wages for 80 hours  Fuel for transport	(iii) [iiii) [iiii]
Sales revenue  Cash outflow:  Raw materials  Wages for 80 hours	(iii) [
Cash outflow: Raw materials  Wages for 80 hours  Fuel for transport	(iii) [ (iii) [ 20 (iv)
Cash outflow: Raw materials  Wages for 80 hours  Fuel for transport  Net cash flow	(iii) [iiii) [iiii]

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Leg	al obligations and ethical considerations are important for many enterprises.
(a)	Explain <b>one</b> reason why governments set laws and regulations for enterprises.
	[2]
(b)	Explain <b>one</b> way Finn may have broken a law or a regulation.
(-)	
(c)	Explain <b>one</b> negative impact on Finn's campervan conversion enterprise as a result of him breaking a law or a regulation.
	[3]
(d)	Explain <b>one</b> reason why Finn may ignore ethical considerations in his campervan conversion enterprise. Use an example from the case study to support your answer.
	[3]
	[5] [Total: 10]
	[10tdi. 10]

5

	ban ume	k manager explained to Finn that enterprises usually produce financial and non-financial nts.
(a)	Sta	te <b>two</b> ways a bank can assist enterprises.
	1	
	2	[2]
(b)		lain how <b>one</b> source of help and support, other than a bank, was used in <b>your enterprise ject</b> .
		[3]
(c)	(i)	Explain one aim that you had in your enterprise project.
		[2]
	(ii)	Explain how one non-financial document helped you to achieve your aim in your enterprise project.
		Non-financial document
		[3]
		[Total: 10]

## Section B

# Answer all questions.

	examples from the case study to support your answer.
,	
	[10

(b)	After his meeting with the bank manager, Finn was not sure if he should continue with his enterprise.
	Evaluate whether the risks of continuing the campervan conversion enterprise are greater than the rewards. Use examples from the case study to support your answer.

[15]

Now consider your enterprise project.

- 7 (a) Successful negotiations must be carefully planned. This includes:
  - setting the objectives
  - researching and choosing the evidence to use
  - preparing arguments and counter-arguments
  - setting the correct tone for the meeting.

Analyse the importance of any <b>two</b> of these stages in ensuring the success of a negotiation you were involved in as part of <b>your enterprise project</b> . Use examples to support your answer.

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- (b) Opportunities for enterprise can be created as a result of changes in:
  - income
  - laws and regulations
  - needs or wants
  - taste and fashion.

Evaluate <b>two</b> reasons which were the most important in creating opportunities for <b>your enterprise project</b> . You may use the opportunities listed above, or other reasons, in your answer.

[15]

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[Total: 25]

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