Cambridge International Examinations
Cambridge International General Certificate of Secondary Education

CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

4629648405

ENTERPRISE **0454/12**

Paper 1 **May/June 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 **13** printed pages, **3** blank pages and **1** Insert.

DC (CW) 114546/2

CAMBRIDGE
International Examinations

Section A

Answer **all** the questions.

1 The advisor told Ollie that his type of enterprise is called a social enterprise.

(a) Explain the term 'social enterprise'.

....

....

....

.... [2]

(b) State **two** other types of business organisation.

1 ....

2 .... [2]

(c) Explain **one** advantage and **one** disadvantage to **your enterprise project** of operating as your chosen type of business organisation.

Type of business organisation: ....

Advantage ....

....

....

....

....

....

Disadvantage ....

....

....

....

....

.... [6]

[Total: 10]

2 There are many different ways of being enterprising, which include:

- using technology for learning
- creating and developing
- making reasoned evaluations
- linking different kinds of learning.

(a) Explain how you have used **two** of these ways of being enterprising either at school or at home.

1 ....

....

....

....

2 ....

....

....

....[4]

(b) Ollie thought that new enterprises involved too much risk.

Explain the difference between a risk optimiser and a risk avoider.

....

....

....

....[2]

(c) Identify **two** methods that could be used to reduce risk.

1 ....

....

2 ....

....[2]

(d) Analyse the effectiveness of **one** method used in **your enterprise project** to reduce risk.

....

....

....

....

....

....

....

....[4]

[Total: 12]

3 The advisor explained the importance of a business plan.

(a) Describe **two non-financial** pieces of information that would usually be included in a business plan.

1 ....

....

....

....

2 ....

....

....

....[4]

(b) Describe **two** reasons for an enterprise to draw up a business plan.

1 ....

....

....

....

2 ....

....

....

....[4]

[Total: 8]

4 **(a)** Explain the difference between the following terms:

(i) profit and loss

....

....

....

....[2]

(ii) creditors and debtors

....

....

....

....[2]

(iii) investment and savings.

....

....

....

....[2]

(b) Explain the source of finance that would be **most** suitable for Ollie's Oils. Give reasons for your answer.

....

....

....

....

....

....

....

....[4]

[Total: 10]

5 Before he could start the enterprise, Ollie would need to communicate with stakeholders in order to gain their agreement.

(a) Identify **two** possible stakeholders of an enterprise.

1 ....

....

2 ....

....[2]

(b) Identify and explain **two** methods of communication, other than email, that an enterprise can use to communicate with stakeholders.

1 Identify ....

Explain ....

....

....

2 Identify ....

Explain ....

....

....[4]

(c) Explain **one** problem Ollie could have faced when using emails to communicate with external stakeholders.

....

....

....

....

....

....

....

....[4]

[Total: 10]

BLANK PAGE

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) Ollie's main objective was to help the environment. He did not want to make a profit but he did need to break-even.

Discuss how the objectives set in Ollie's Oils could affect the operation of the enterprise. [10]

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

(b) Ollie's biggest problem would be how to get students and parents interested in his recycling scheme. He was not very good at marketing.

Evaluate the different methods of marketing communication that Ollie could use to persuade these people to become involved in the recycling scheme. Use examples to support your answer. [15]

[Total: 25]

BLANK PAGE

7 **(a)** Ollie believed that he would be able to meet the needs and wants of his customer, the factory.

Discuss how successful **your enterprise project** was in meeting the needs and wants of its customers. [10]

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

....

(b) Ollie needed a lot of help and support with his new enterprise.

Evaluate the effectiveness of the sources of help and support used in **your enterprise project**. [15]

[Total: 25]

BLANK PAGE