



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS  
International General Certificate of Secondary Education

CANDIDATE  
NAME

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CENTRE  
NUMBER

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**ENTERPRISE**

**0454/01**

Paper 1

**October/November 2012**

**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, highlighters, 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.**

**Candidates who do not follow this instruction will be penalised.**

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.

This document consists of **12** printed pages and **1** Insert.



**Section A**

Answer **all** the questions.

*For  
Examiner's  
Use*

**1** Shegan, Layla and Aizaz believed that they had been enterprising both at school and at home.

**(a)** State **two** ways, apart from solving problems, that you could have been enterprising at school or at home.

1 .....

.....

2 .....

.....

[2]

**(b)** Using an example of a problem in **your enterprise project**, explain how it was solved.

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[4]

**[Total: 6]**

2 The three friends knew that it was important to plan before starting an enterprise.  
They decided to form themselves into a partnership rather than a limited company.

(a) (i) State **four** pieces of information that would usually be included in a business plan.

- 1 .....
  - 2 .....
  - 3 .....
  - 4 .....
- [4]

(ii) Explain why it was necessary for you to revise the plan of action in **your enterprise project**.

- .....
  - .....
  - .....
  - .....
  - .....
  - .....
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  - .....
  - .....
  - .....
- [4]

(b) Describe **three** features of a partnership.

- 1 .....
- .....
- .....
- .....
- .....
- 2 .....
- .....
- .....
- .....
- .....
- 3 .....
- .....
- .....
- .....

[6]

**[Total: 14]**

3 It is important that an enterprise finds out the likely demand for its products.

(a) What is meant by *primary research*?

- .....
- .....
- .....
- .....

[2]

(b) Describe **two** ways that secondary research could be used to identify potential customers.

- 1 .....
- .....
- .....
- .....
- .....
- .....
- 2 .....
- .....
- .....
- .....

[4]

(c) Explain how **your enterprise project** could have used market research to identify potential customers.

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..... [4]

[Total: 10]

4 Shegan, Layla and Aizaz needed to negotiate with suppliers to keep costs down.

(a) What is meant by *negotiation*?

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

(b) Discuss **two** factors that can contribute to successful negotiation.

1 .....

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2 .....

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[6]

[Total: 8]

[Turn over

5 All enterprises need to be aware of their cash flow and profitability.

(a) (i) Describe what is meant by *cash flow*.

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..... [3]

(ii) Explain why **your enterprise project** needed to be aware of its cash flow.

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..... [4]

(b) Discuss why profitability is important for an enterprise.

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..... [5]

[Total: 12]



Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 6(b).

*For  
Examiner's  
Use*

**(b)** Starting a new enterprise always involves risk.

Discuss the various potential risks involved in attempting to make TEMAL a successful enterprise.

[15]

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