



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS  
International General Certificate of Secondary Education

CANDIDATE  
NAME

CENTRE  
NUMBER

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**ENTERPRISE**

**0454/01**

Paper 1

**October/November 2013**

**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 Ruby, Bwalya and Nimeue had discussed forming a business organisation, such as a partnership, but they all wanted to be involved in a social enterprise.

(a) Give **two** features of *social enterprises*.

1 .....

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2 .....

..... [2]

(b) State which type of business organisation **your enterprise project** was. Explain why this type of business organisation was suitable for **your enterprise project**.

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..... [6]

**[Total: 8]**

2 The three friends recognised the importance of effective negotiation and SMART objectives.

(a) Using an example, explain what is meant by *negotiation*.

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.....  
..... [3]

(b) State what the letters SMART stand for.

S .....  
M .....  
A .....  
R .....  
T ..... [5]

(c) Discuss how important planning was to the success of negotiations in **your enterprise project**.

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..... [6]

[Total: 14]

[Turn over

3 Ruby, Bwalya and Nimeue knew that it was important to manage their cash flow and to keep and maintain accurate financial records.

(a) What is meant by *cash flow*?

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..... [2]

(b) Explain **one** reason why it is important for enterprises to keep and maintain accurate financial records.

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..... [3]

(c) Why was it important for the three friends to manage the cash flow of the Makasa Community Project?

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..... [5]

[Total: 10]

4 The three friends knew that communications at the planning meeting would be both formal and informal.

*For  
Examiner's  
Use*

(a) State **two** different methods of communication.

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

(b) Explain **two** reasons why it was important for Ruby, Bwalya and Nimeue to use an appropriate form of language when communicating with stakeholders.

1 .....  
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2 .....  
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..... [6]

**[Total: 8]**

5 Ruby, Bwalya and Nimeue understood the importance of marketing to an enterprise.

(a) What is the difference between:

- a need and a want .....
- .....
- .....
- potential and existing customers? .....
- .....
- .....

[2]

(b) Explain to what extent **your enterprise project** was successful in its marketing methods.

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[6]

(c) Explain **one** method that could have been used to identify the **potential** customers of **your enterprise project**.

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[2]

[Total: 10]









Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 7(a).

For  
Examiner's  
Use

7 The Makasa Community Project was a low risk enterprise.

(a) How much risk do you think was involved in **your enterprise project**? Discuss the reasons for your decision. [10]

Dotted lines for writing the answer.

Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 7(b).

For  
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Use

- (b) Discuss the advantages and disadvantages to the Makasa Community Project of receiving an annual grant rather than other sources of finance. [15]

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