

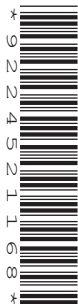
CANDIDATE  
NAME

CENTRE  
NUMBER

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CANDIDATE  
NUMBER

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**ENTERPRISE**

Paper 1

**0454/12**

**May/June 2017**

**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.

**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 **12** printed pages, **4** blank pages and **1** Insert.



2 Changing his enterprise was a risk. Rakesh researched to help him to reduce the risk.

(a) State **two** risks an entrepreneur may face.

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

(b) Explain **one** reason why entrepreneurs are willing to take risks.

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

(c) Identify **two** approaches to dealing with risk.

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

(d) Explain Rakesh’s approach to dealing with risk, using an example from the case study.

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

**[Total: 10]**

3 Researching customers and understanding customer satisfaction are important to all enterprises.

(a) What is the difference between the following terms?

(i) *franchisee* and *franchisor*

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

(ii) *primary* and *secondary* research

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

(b) What is meant by *customer satisfaction*?

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

(c) Analyse **one** method that you used, or could have used, to measure customer satisfaction in **your enterprise project**.

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

**[Total: 10]**

4 The accountant helped Rakesh to organise his financial records.

(a) State **two** pieces of information that would be included in a cash flow budget.

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

(b) Identify **two** reasons why an enterprise needs to draw up a cash flow budget.

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

(c) Explain **one** problem Rakesh could face in his enterprise by **not** keeping his financial records up-to-date.

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

**[Total: 8]**

5 Rakesh knew that planning and support were important for any enterprise.

(a) State **two** business objectives of an enterprise.

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

(b) Explain **two** reasons why an entrepreneur would need to update their business plan.

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

(c) (i) What is meant by a *business network*?

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

(ii) Explain **two** sources of support used in **your enterprise project**.

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

[Total: 12]





















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