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0454/11

May/June 2018

**1 hour 30 minutes**

No Additional Materials are required.

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.

This 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.

## Section A

Answer **all** the questions.

- 1 Baruti's objective was to make a profit and he was also concerned about being ethical.

(a) Explain the terms:

(i) *profit*

.....

.....

.....

.....[2]

(ii) *being ethical.*

.....

.....

.....

.....[2]

(b) State **two other** objectives that an enterprise may have.

1 .....

2 .....[2]

- (c) Explain **two** ways that the objectives set in **your enterprise project** affected the way that the enterprise operated.

1 .....

.....

.....

.....

2 .....

.....

.....

.....[4]

[Total: 10]

- 2 Kayla did not feel part of the team. She thought it might be helpful to get some advice before the next meeting.

(a) Describe **one** benefit and **one** problem of working as a team.

Benefit .....

.....

.....

.....

Problem .....

.....

.....

.....[4]

(b) Explain **two** sources of support that could assist in the start-up and operation of B&K Revision Sheets.

1 .....

.....

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.....

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2 .....

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.....[6]

[Total: 10]

- 3 Baruti thought the enterprise was low-risk. Kayla was not sure if there were any laws and regulations that would affect the selling of the revision sheets.

(a) State **two** ways consumers are protected by the law when they buy a product.

1 .....

2 .....[2]

(b) Explain **one** method that can be used to reduce the risks involved in setting up an enterprise.

.....

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.....[2]

(c) Explain to what extent it was important that you identified risks in **your enterprise project**. Use an example to support your answer.

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.....[6]

[Total: 10]

4 Baruti thought that planning would not be necessary for B&K Revision Sheets.

(a) Explain the difference between short-term and long-term planning, using an example in each case.

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.....[4]

(b) State **two** pieces of information that could be included in a business plan.

1 .....

2 .....[2]

(c) Explain **two** ways that planning helps an enterprise to be successful.

1 .....

.....

.....

.....

2 .....

.....

.....

.....[4]

[Total: 10]

5 Baruti did not want to complete market research before organising the co-operative.

(a) Explain **one** advantage and **one** disadvantage of a co-operative as a business organisation.

Advantage .....

.....

.....

.....

Disadvantage .....

.....

.....

.....[4]

(b) Explain **two** suitable methods of market research that could have been used to improve the B&K Revision Sheets enterprise.

1 .....

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2 .....

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.....[6]

[Total: 10]







- (b)** Enterprises must be aware of:
- the income of potential customers
  - their own ability to meet the demand for their product
  - the quality of the final product sold.

Evaluate the importance of factors such as these to the success of B&K Revision Sheets.

[15]

This image shows a full page of white paper with horizontal dotted lines. The lines are evenly spaced and run across the width of the page, providing a guide for handwriting practice. There are no margins, text, or other markings on the page.





- 7 (a)** Planning involves enterprises regularly setting aside time to answer key strategic questions.

Analyse the importance to **your enterprise project** of regularly setting aside time to review progress. [10]

[illegible]

[illegible]

0454/11/M/J/18

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