



Cambridge IGCSE™

CANDIDATE
NAME

CENTRE
NUMBER

--	--	--	--	--

CANDIDATE
NUMBER

--	--	--	--



ENTERPRISE

0454/11

Paper 1

May/June 2022

1 hour 30 minutes

You must answer on the question paper.

You will need: Insert (enclosed)

INSTRUCTIONS

- Answer **all** questions.
- Use a black or dark blue pen. You may use an HB pencil for any diagrams or graphs.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen or correction fluid.
- Do **not** write on any bar codes.

INFORMATION

- The total mark for this paper is 100.
- The number of marks for each question or part question is shown in brackets [].
- You should have received a copy of the case study before the examination. A copy of the case study is provided with this question paper as an insert.

This document has **16** pages. Any blank pages are indicated.

Section A

Answer **all** questions.

1 Guilleary was enterprising at school and she used some of the six stages of the enterprise process.

(a) Describe **two** ways of being enterprising at school.

1

.....

.....

.....

2

.....

.....

.....

[4]

(b) Explain **two** stages of the enterprise process. Use examples from the case study to support each answer.

Stage 1

.....

.....

.....

.....

.....

Stage 2

.....

.....

.....

.....

.....

[6]

[Total: 10]

2 Guilleary and her friends will negotiate with Mr Garcia in the future.

(a) State **two** stages in the negotiation process.

1

2

[2]

(b) Explain **one** objective Mr Garcia might have had in the negotiation.

.....

.....

.....

..... [2]

(c) Explain the possible effects of **two** aims on the activities of an enterprise.

Aim 1

.....

.....

.....

Aim 2

.....

.....

..... [4]

(d) State **two** ways a decrease in government taxes may affect an enterprise.

1

.....

2

.....

[2]

[Total: 10]

3 Andreas thought that ordering the yearbooks from YB4U may be a risk.

(a) Define the term *risk*.

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

(b) Explain **one** risk involved in ordering the yearbooks from YB4U.

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

(c) Describe **one** way to reduce the risk of buying the yearbooks from YB4U.

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

(d) Explain the effect of **one** legal obligation on **your enterprise project**. Use an example to support your answer.

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

[Total: 10]

4 (a) Define the following terms:

(i) *Focus group*
.....
.....
..... [2]

(ii) *Mystery shopper*
.....
..... [2]

(b) Explain **two** methods of marketing communications that would be suitable to persuade students to buy yearbooks.

Method 1
Explanation
.....
.....
..... [3]

Method 2
Explanation
.....
.....
..... [3]

[Total: 10]

5 The friends researched the price that students were willing to pay and the costs of producing each yearbook in Fig. 1.

(a) (i) Define the term *contribution*.

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

(ii) Calculate the contribution for each yearbook if they are printed in school. Show your working.

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

(iii) Calculate the break-even output if the yearbooks are printed in school. Show your working.

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

- (b) Table 5.1 shows the forecast income statement for the yearbook enterprise if the books were printed in the school and 96 students purchased them.

Forecast Income Statement for Yearbooks

	US\$
Total sales revenue	A
Cost of sales	432
Gross profit	B
Less expenditure on advertising	10
Net Profit	C

Table 5.1

Use the information in the case study and Table 5.1 to calculate the following amounts. Show your working where appropriate.

- (i) Amount **A**.

.....

.....

.....

..... [2]

- (ii) Amount **B**.

.....

..... [1]

- (iii) Amount **C**.

.....

..... [1]

[Total: 10]

BLANK PAGE

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in the Cambridge Assessment International Education Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at www.cambridgeinternational.org after the live examination series.

Cambridge Assessment International Education is part of Cambridge Assessment. Cambridge Assessment is the brand name of the University of Cambridge Local Examinations Syndicate (UCLES), which is a department of the University of Cambridge.