



Cambridge IGCSE™

CANDIDATE
NAME

CENTRE
NUMBER

--	--	--	--	--	--

CANDIDATE
NUMBER

--	--	--	--	--	--



ENTERPRISE

0454/13

Paper 1

May/June 2021

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 There are different stakeholders in Millie’s boat trip enterprise.

(a) Define the term *stakeholder*.

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

(b) Explain why each of the following are stakeholders in Millie’s enterprise:

(i) the local boat owners

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

(ii) the people on her sightseeing boat trips.

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

(c) Describe **two** reasons why laws or regulations are needed to protect Millie's stakeholders.

1

.....

.....

.....

.....

2

.....

.....

.....

..... [4]

[Total: 10]

2 Kyle said that changes in government policy could have an effect on the success of an enterprise, and that effect may be positive or negative.

(a) Identify **two** ways that an entrepreneur can measure the success of their enterprise.

1

2 [2]

(b) Explain **one** reason why it is important that an entrepreneur monitors the progress of their enterprise.

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

(c) (i) Explain **one** positive effect government policy might have on Millie's boat trip enterprise. Use an example to support your answer.

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

(ii) Explain **one** negative effect government policy might have on Millie's boat trip enterprise. Use an example to support your answer.

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

[Total: 10]

3 (a) Define the terms:

(i) *income*

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

(ii) *expenditure.*

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

(b) (i) Using Table 1, calculate Millie’s fuel costs if she operates 80 boat trips in her first year.

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

(ii) Using Table 1, calculate Millie’s total revenue if she operates 80 boat trips in her first year.

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

(c) Describe the possible impact on total profit if the cost of insurance increased to US\$275.

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

[Total: 10]

4 Keisha suggested Millie consider crowdfunding, a government grant or trade credit as sources of finance.

(a) Identify **two** sources of finance, other than crowdfunding, a government grant or trade credit.

1

2 [2]

(b) Define the term *crowdfunding*.

.....

.....

.....

..... [2]

(c) Explain **one** advantage and **one** disadvantage to Millie of using trade credit to finance the costs in Table 1.

Advantage

.....

.....

.....

.....

.....

Disadvantage

.....

.....

.....

.....

..... [6]

[Total: 10]

5 (a) Explain how Millie used **two** enterprise skills.

1

.....

.....

.....

2

.....

.....

..... [4]

(b) Explain **one** advantage and **one** disadvantage to Kyle of operating in a partnership with Millie.

Advantage

.....

.....

.....

.....

.....

Disadvantage

.....

.....

.....

.....

..... [6]

[Total: 10]

BLANK PAGE

A series of horizontal dotted lines spanning the width of the page, providing a template for writing.

[Total: 25]

[Turn over

- (b) There are factors an entrepreneur could consider when choosing methods of marketing communication. The factors include:
- cost of method
 - method used by competitors
 - suitability of method for reaching the potential target market.

Evaluate which **two** of these factors were, or could have been, **most** important when choosing the methods of marketing communications for **your enterprise project**. Justify your choice, including why you rejected the other factor. [15]

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

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 the Cambridge Assessment Group. Cambridge Assessment is the brand name of the University of Cambridge Local Examinations Syndicate (UCLES), which itself is a department of the University of Cambridge.