Cambridge International Examinations
Cambridge International General Certificate of Secondary Education

ENTERPRISE

Paper 1

INSERT

0454/11

May/June 2018

1 hour 30 minutes

READ THESE INSTRUCTIONS FIRST

This Insert contains the case study for use when answering the questions.

Anything the candidate writes on this Insert will not be marked.

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 3 printed pages and 1 blank page.
**The background**

Baruti has been busy revising for his examinations. He listened carefully when the teacher explained the five steps to successful revision. These steps were:

1. Check you have everything you need
2. Read through the information
3. Summarise your notes
4. Learn the information
5. Practise exam questions

Baruti was working on Step 3. He could not decide what the key pieces of information to summarise were. His friend Kayla offered to help him with this task.

**The preparation**

Kayla showed Baruti the notes that she had summarised for her Spanish exam. Each topic was presented on one large sheet of paper. Different colours were used and there were pictures and diagrams in some sections. Kayla explained that the different colours helped her to see which pieces of information were related and the pictures helped her to remember points. Fig. 1 shows the revision sheet that Kayla produced for her Spanish exam.

![Fig. 1](image_url)

Kayla suggested that they work together to produce a revision sheet with key headings. Baruti could use this to summarise his own notes for his enterprise exam.
The idea

Next day at school Baruti showed his enterprise classmates the revision sheet that he had produced with Kayla’s help. A couple of his classmates said that they would even be willing to pay him for a copy of the revision sheet.

Baruti thought that he could make some money by selling copies of the revision sheet to his classmates. This would help his classmates and make a profit for him. However, would it be ethical to make a profit from a revision sheet that was mainly Kayla’s work? Should Kayla receive a share of any profits? He thought it would be important to ask Kayla’s permission before selling copies of the revision sheet.

Developing the idea

Baruti met Kayla and explained his plan. Kayla thought that this would be an excellent enterprise opportunity. She knew that many students found it difficult to summarise their notes for revision, and she wanted to help them.

The friends produced a number of copies of the enterprise revision sheet which sold within the first day. Baruti and Kayla realised that this could be a very successful enterprise. They thought profits could be even higher if they extended the range of revision sheets.

Kayla suggested they ask other students to help them produce revision sheets for sale. With a team of students they would be able to produce revision sheets covering a wide range of subjects.

Baruti agreed, and so they decided to ask their friends if they would be willing to help.

The meeting

Next day Baruti and Kayla met with eight of their friends who were willing to help with the enterprise. They agreed to work in pairs to produce revision sheets for different subjects. Kayla and Baruti would then make multiple copies of the revision sheets and the whole team would sell them. The team would work as a co-operative.

This would be a low-cost enterprise. The only cost would be printing the revision sheets, so they expected profits to be high.

Baruti thought that market research and planning would not be necessary with such a low-risk enterprise. Kayla disagreed. She had a number of questions that she thought they should answer before they started:

- Who would pay for the printing?
- How would they decide the correct price to charge?
- Who would make sure that the revision sheets were good quality?
- Were there any laws and regulations that would affect the enterprise?

Before Kayla could ask her questions, Baruti ended the meeting. He had even chosen the name for the co-operative, ‘B&K Revision Sheets’. Kayla did not feel part of the team. The original revision sheet was her idea and now Baruti was taking over.

They would meet again in one week but Kayla was not sure if she still wanted to be involved. She thought it might be helpful to get some advice before the next meeting.