



[Turn over

- 1 (a) Explain **four** characteristics needed for an entrepreneur to be successful.

Characteristic 1:

.....

.....

.....

Characteristic 2:

.....

.....

.....

Characteristic 3:

.....

.....

.....

Characteristic 4:

.....

.....

.....

[8]

- (b) Consider the advantages and disadvantages of starting up ET as either an unincorporated business or as a limited company. Which should Zane and Zaara choose? Justify your answer.

Unincorporated business:

.....

.....

.....

.....

.....

.....

.....

Limited company:

.....

.....

.....

.....

.....

.....

.....

Recommendation:

.....

.....

.....

.....

.....

.....

.....

[12]

- 2 (a) Explain **one** business objective for ET and **one** other objective that a social enterprise like Daycare might have.

Business objective for ET:

.....

Explanation:

.....

.....

.....

.....

.....

Objective for a social enterprise like Daycare:

.....

Explanation:

.....

.....

.....

.....

.....

[8]

- (b)** Using Appendix 2 and other information, consider the **two** options for the first performance at the theatre. Which is the best option for Zaara to choose? Justify your answer using suitable calculations.

Option 1:

[illegible]

Option 2:

[illegible]

Recommendation:

[illegible]

[12]

- 3 (a) Explain **four** reasons why it is important that Zane prepares a cash-flow forecast before starting ET.

Reason 1:

.....

.....

.....

Reason 2:

.....

.....

.....

Reason 3:

.....

.....

.....

Reason 4:

.....

.....

.....

[8]

(b) Consider the following **three** roles of marketing for ET. Which role will be the most important for ET to be successful? Justify your answer.

- Identifying customer needs
- Satisfying customer needs
- Maintaining customer loyalty

Identifying customer needs:

.....

.....

.....

.....

.....

.....

Satisfying customer needs:

.....

.....

.....

.....

.....

.....

Maintaining customer loyalty:

.....

.....

.....

.....

.....

.....

Conclusion:

.....

.....

.....

.....

.....

.....

[12]

- 4 (a) Explain **two** leadership styles that Zane and Zaara could use when managing ET's employees.

Leadership style 1:

.....

Explanation:

.....

.....

.....

.....

.....

Leadership style 2:

.....

Explanation:

.....

.....

.....

.....

.....

[8]

(b) Consider the following **three** ethical issues for the theatre. Which ethical issue is likely to have the biggest effect on ET? Justify your answer.

- Paying fair wages to employees
- Only buying costumes produced in the local community
- Purchasing all refreshments from suppliers that do not pollute the environment

Paying fair wages to employees:

.....

.....

.....

.....

.....

Only buying costumes produced in the local community:

.....

.....

.....

.....

.....

Purchasing all refreshments from suppliers that do not pollute the environment:

.....

.....

.....

.....

.....

Conclusion:

.....

.....

.....

.....

.....

[12]

BLANK PAGE

BLANK PAGE

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.