CAMBRIDGE
International Education

Cambridge IGCSE™

ENTERPRISE **0454/11**

Paper 1 Case Study **October/November 2025**

MARK SCHEME

Maximum Mark: 100

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the October/November 2025 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

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Generic Marking Principles

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptions for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

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GENERIC MARKING PRINCIPLE 5: Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).
GENERIC MARKING PRINCIPLE 6: Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

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Social Science-Specific Marking Principles
(for point-based marking)

1 Components using point-based marking:

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

a DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
b DO credit alternative answers/examples which are not written in the mark scheme if they are correct
c DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require *n* reasons (e.g. State two reasons …).
d DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
e DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
f DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
g DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

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3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

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Annotations guidance for centres

Examiners use a system of annotations as a shorthand for communicating their marking decisions to one another. Examiners are trained during the standardisation process on how and when to use annotations. The purpose of annotations is to inform the standard isation and monitoring processes and guide the supervising examiners when they are checking the work of examiners within their team. The meaning of annotations and how they are used is specific to each component and is understood by all examiners who mark the component.

We publish annotations in our mark schemes to help centres understand the annotations they may see on copies of scripts. Note that there may not be a direct correlation between the number of annotations on a script and the mark awarded. Similarly, the use of an annotation may not be an indication of the quality of the response.

The annotations listed below were available to examiners marking this component in this series.

Annotations

Annotation	Meaning
	Correct point
	Development of point
	Incorrect point
	Level one/Level two/Level three/Level four
	Benefit of doubt
	Own figure rule
	Not answered question
	Repeat
	Indicates that the point has been notes, but no credit has been given
	Too vague

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Question	Answer	Marks	Guidance
1(a)	**Define the term *entrepreneur*.** Precise definition [2] Partial definition showing some understanding [1] Answers may include: • A person who **starts/creates** a business or enterprise [2] • An individual who is willing to take the initiative to **start a** business/enterprise [2] • A person who combines factors of production in order to make a profit [2] • A person willing to take risks in order to gain profit or make a difference in the world [2] • Someone who takes initiative/risks [1] • A person who shows enterprise skills [1]	**2**	AO1–2
1(b)	**Explain how an entrepreneur you have studied used <u>two</u> enterprise skills. Use an example to support each answer.** Each point should be marked as follows: Identification of an enterprise skill [1] Application showing how the entrepreneur used the skill [+1] **Max 2** with no named entrepreneur that has been studied **Example:** Elon Musk problem-solving [1] when he developed the new electronic engine for his cars. [+1]	**4**	AO1–2 AO2–2

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Question	Answer	Marks	Guidance
1(c)	**Define the term *regulation.*** Precise definition [2] Partial definition showing some understanding [1] Answers may include: • A rule set by an authority/government [2] • Rules which must/need to be followed [2] • Rules/controls [1]	**2**	AO1–2
1(d)	**Explain <u>one</u> reason why regulations are needed in employment.** Identification of a reason [1] Explanation showing understanding [+1] Answers may include: • protect employees concerning health and safety • ensure employees are treated fairly • stop discrimination • ensure employees' rights are given/protected • protect the **employer** from the risk of legal action • to ensure the enterprise follows the laws **Example:** To ensure employees are treated fairly [1] and cannot be dismissed without reason [+1]	**2**	AO1–2

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Question	Answer	Marks	Guidance
2(a)	**Explain <u>one</u> reason a government would offer an enterprise grant.** Identification of a reasons [1] Explanation showing understanding [+1] Answers may include: • to encourage the production of a good or service [1] which benefits the community/ growth[+1] • to help disadvantaged groups(young people) to start an enterprise[1] • create jobs[1] • to start a specific project[1] • to ensure that an enterprise can continue[1] **Example:** Help people who struggle to start an enterprise [1] such as young people who do not qualify for bank loans[+1] To create jobs [1] because there is high unemployment in an area/country [+1]	**2**	AO1–2
2(b)	**Explain <u>one</u> disadvantage to Maria of using a government enterprise grant.** Identification of a disadvantage [1] Explanation showing understanding [+1] Application to case study [1] Answers may include: • the application process may be difficult • may come with conditions which must be followed • can only be spent on the specific project • may require repayment if rules not followed • can be a very small/insufficient/limited amount of finance • may take time to be available/be received **Example:** The grant may come with conditions [1] if she does not use it for college fees [1] she may have to repay the grant [+1]	**3**	AO1–1 AO2–1 AO3–1

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Question	Answer	Marks	Guidance
2(c)	**Using Table 1, calculate the total interest for <u>one year</u> for a loan of $1300. Show your working.** $65 [2] If the answer is incorrect [1] can be awarded for: 5% of $1300 **OR** 0.05×1300	**2**	AO1–1 AO2–1
2(d)	**Calculate the number of personal training hours that Maria must work to break even, if the costs are $1300. Show your working.** 65 hours [3] **OR** 69 hours [3] with bank loan interest If answer is incorrect marks can be awarded for: 1300/20 [2] **Or** 1365/20 [2] with bank loan interest OR Break even formula = Fixed costs /contribution [1] **OR** Fixed costs /(Price – variable cost) [1]	**3**	AO1–1 AO2–1 AO3–1

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Question	Answer	Marks	Guidance
3(a)	**Complete the following sentences by inserting one word from the list in each space:** • averse • believer • keen • reducer. **(i)** Risk **averse** people will avoid any possibility of risk. [1] **(ii)** Risk **reducer** people will accept a certain level of risk.[1]	**2**	AO1–2
3(b)	**Explain how you managed <u>two</u> risks during <u>your enterprise project</u>. Include the outcome of each action.** Identification of a way to manage risk [1] Explanation of the outcome of the action [+1] Application to own enterprise experience [1] Answers may include: • complete a risk assessment/planning • research/found local supplier • mitigating the risk • producing a budget • transfer the risk to others **Example:** We completed a risk assessment of the weather[1] and choose an indoor location [+1] for the hotdog stall [1]	**6**	AO1–2 AO2–2 AO3–2

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Question	Answer	Marks	Guidance
3(c)	**Explain <u>one</u> possible objective for Maria's enterprise.** Identification of an enterprise objective [1] Explanation showing why this is suitable for Maria's enterprise [+1] Answers may include: • survival • break even • establish the enterprise/ gain customers • increase sales revenue • make a profit • social objective • offer quality good or service **Example:** Establish the enterprise [1] as Maria is a new entrepreneurs/just starting the enterprise. [+1]	**2**	AO1–1 AO2–1

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Question	Answer	Marks	Guidance
4(a)	**Explain how <u>two</u> documents help to improve the effectiveness of meetings.** Each document should be marked as follows: Identification of a document [1] Explanation of how it improves effectiveness [+1] Answers may include: • Notice of meeting/ meeting invitation • Agenda • Minutes • Business plan/financial document – **(*must* *relate to Maria's meeting for the second mark)*** **Example:** Providing a notice of the meeting [1] would ensure everyone knew when to arrive and what to bring.[+1] **Accept answer which relate to the case study meeting:** Business plan/any financial document[1] would help the bank manager make decisions/to see if the enterprise could be successful [+1]	**4**	AO1–4
4(b)	**Explain <u>one</u> planning document used in an enterprise, other than a business plan.** Identification of planning document [1] Explanation showing contents /how this is used [+1] Answers may include: • Action plan • Negotiation plan • Cash flow **forecasts** **Example**: The action plan [1] acts as a checklist for completion of tasks .[+1]	**2**	AO1–2

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Question	Answer	Marks	Guidance
4(c)	**Explain the help offered by <u>two</u> non-financial sources of support in <u>your enterprise project</u>.** Each point should be marked as follows: Identification of a source [1] Explanation showing the help offered to their own enterprise. [+1] Answers may include: • Government/business agencies • Consultants • Charities • Teachers • Business networks • Other entrepreneurs • Friends and family **Example**: The enterprise students from the year above [1] gave advice on how to make smoothies [+1]	**4**	AO1–2 AO2–2

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Question	Answer	Marks	Guidance
5(a)	**Explain <u>one</u> problem with the market research that Maria completed.** Identification of a problem with Maria's research [1] Explanation showing why this was a problem [+1] Answers may include: • Maria completed only secondary /did not complete primary • Has no information on potential customer wants/needs • Maria researched online • She appears to have only used one site • Relied on Yan for the qualifications **Examples:** Maria used secondary research [1] this data may be outdated or not relevant to her situation [+] As Maria chose online research [1], she could not ask specific questions about which course was best for her [+1]	**2**	AO1–1 AO2–1
5(b)	**Explain <u>one</u> benefit of marketing to Maria's enterprise.** Identification of a benefit [1] Application to Maria's enterprise [+1] Answers may include: • Increases customer awareness • Helps establish brand loyalty • Increases sales • Increases market share **Example:** Customers will become aware of Maria's enterprise [1] therefore she is more likely to gain customers for personal training services. [+1]	**2**	AO1–1 AO2–1

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Question	Answer	Marks	Guidance
5(c)	**Justify <u>two</u> marketing communications that would be suitable for Maria's enterprise.** Each communication should be marked as follows: Identification of a marketing communication [1] Explanation showing why suitable [+1] Application to Maria's enterprise [1] Answers may include: • Television, radio, cinema, newspapers, magazines • Posters, leaflets • Online communication including social media or example sites • Word of mouth, announcements • Sponsorship • Business cards **Example**: Maria could use a poster[1] placed at the reception desk of the gym [1] would attract the attention of her target audience [+1]	**6**	AO1–2 AO2–2 AO3–2

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>6(a)</td><td>
The bank manager asked Maria to produce a business plan.
Analyse <u>two</u> ways that producing a business plan would assist Maria in her new enterprise. Use examples from the case study to support your answer.
<table>
<tr><th>Level</th><th>Description</th><th>Mark</th></tr>
<tr><td>3</td><td>Good analysis consistently applied to the case study
Demonstrates good knowledge of concepts</td><td>8–10</td></tr>
<tr><td>2</td><td>Some analysis supported by good application to the case study
Demonstrates knowledge of concepts</td><td>4–7</td></tr>
<tr><td>1</td><td>Limited application to the case study
Demonstrates knowledge of concepts</td><td>1–3</td></tr>
<tr><td>0</td><td>No creditable response</td><td>0</td></tr>
</table>
Knowledge may include:
• definition of a business plan and /or its contents
• general advantages/disadvantages of producing a plan

Phrases which demonstrate some analysis may include:
Completing the business plan would help Maria to obtain the bank loan she needs.

Can help her to gain the government grant she is applying for.

Phrases which demonstrate good analysis will explain the impact of this document on the enterprise. These may include:

Completing the business plan would help Maria to obtain a bank loan as the bank manager would be able to assess if she could afford to make the repayments.
</td><td>10</td><td>The grade descriptions describe performance at the top of the band.</td></tr>
</table>

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>6(b)</td><td>
Maria is considering two personal trainer courses:
• full-time at the local college
• part-time completed online.
Evaluate which is the better course for Maria to choose. You should consider the costs and benefits of each course in your answer.

<table>
<tr><th>Level</th><th>Description</th><th>Mark</th></tr>
<tr><td>4</td><td>Clear reasoned evaluation is present
Good analysis applied consistently to the case study
Demonstrates good knowledge of relevant concepts</td><td>12–15</td></tr>
<tr><td>3</td><td>Good analysis applied consistently to the case study is leading to evaluation
Demonstrates knowledge of relevant concepts</td><td>8–11</td></tr>
<tr><td>2</td><td>Some application to the case study supported by some analysis
Demonstrates knowledge of relevant concepts.</td><td>4–7</td></tr>
<tr><td>1</td><td>Limited application to the case study
Demonstrates some knowledge of relevant concepts.</td><td>1–3</td></tr>
<tr><td>0</td><td>No creditable response</td><td>0</td></tr>
</table>
Knowledge may include:
• General benefits/disadvantages of full-time versus part time education e.g. cannot work and study/more expensive.

Phrases which demonstrate some analysis may include:

Maria will have to give up her job in the sports shop or take a holiday if she chooses to complete the full-time course.
</td><td>15</td><td>The grade descriptions describe performance at the top of the band.</td></tr>
</table>

Question	Answer	Marks	Guidance
6(b)	**Phrases which demonstrate good analysis will explain the likely impact of the choice on the enterprise. These may include:** Maria will have to give up her job in the sports shop if she chooses to complete the full-time course. She will therefore lose income and may find it difficult to pay for the course/living expenses /will need a loan. As the full time course is shorter, she would be able to start her enterprise quicker. **Evaluation may be shown by a two-sided approach considering the negative aspects of each choice.**		

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>7(a)</td><td>
Analyse the success of <u>two</u> methods that were used to choose <u>your enterprise project</u>. Use examples to support your answer.
<table>
<tr><th>Level</th><th>Description</th><th>Mark</th></tr>
<tr><td>3</td><td>Good analysis consistently applied to their own enterprise experience.
Demonstrates good knowledge of concepts</td><td>8–10</td></tr>
<tr><td>2</td><td>Some analysis supported by good application to their own enterprise experience.
Demonstrates knowledge of concepts</td><td>4–7</td></tr>
<tr><td>1</td><td>Limited application to their own enterprise experience.
Demonstrates knowledge of concepts</td><td>1–3</td></tr>
<tr><td>0</td><td>No creditable response</td><td>0</td></tr>
</table>
Knowledge may include:
• description of methods of choosing a project such as, identifying our skills, research, risk assessments, cost, time it would take
• general advantages and disadvantages of the methods
• the stages of the enterprise process.

Phrases which demonstrate some analysis may include:
• The information found from the method
• Research showed that the mocktails would be popular with the students I asked and sell many units.

Phrases which demonstrate good analysis will explain the impact (reliability or not) of the method on the enterprise. These may include:
I asked 100 students my survey about mocktails so the information was reliable and helped me to decide mocktails rather than the jewellery students did not want.
</td><td></td><td>The grade descriptions describe performance at the top of the band.</td></tr>
</table>

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>7(b)</td><td>
Enterprises can be organised as different types of business organisation. These include:

sole traders
partnerships
limited companies
social enterprises.

Evaluate the most suitable type of business organisation for <u>your enterprise project</u>. Justify your answer, including why you rejected <u>one</u> other type of business organisation.
<table>
<tr><th>Level</th><th>Description</th><th>Mark</th></tr>
<tr><td>4</td><td>Clear reasoned evaluation is present
Good analysis applied consistently to their enterprise
Demonstrates good knowledge of relevant concepts</td><td>12–15</td></tr>
<tr><td>3</td><td>Good analysis applied consistently to their enterprise is leading to evaluation
Demonstrates knowledge of relevant concepts</td><td>8–11</td></tr>
<tr><td>2</td><td>Some application to their enterprise supported by some analysis
Demonstrates knowledge of relevant concepts</td><td>4–7</td></tr>
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Demonstrates some knowledge of relevant concepts</td><td>1–3</td></tr>
<tr><td>0</td><td>No creditable response</td><td>0</td></tr>
</table>
Knowledge may include:

description of any business organisation

</td><td>15</td><td>The grade descriptions describe performance at the top of the band.</td></tr>
</table>

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Question	Answer	Marks	Guidance
7(b)	**Phrases which demonstrate some analysis may include:** • explaining the impact of unlimited liability • generalised explanation of the impact of the advantage/disadvantages • advantage/disadvantage applied to their enterprise. **Phrases which demonstrate good analysis will explain the impact of the organisation type on the enterprise. These may include:** By having a partner, we could each do different tasks, she dealt with the customers, and I made the smoothies (**L2),** therefore we could serve more customers **(L3)** **Evaluation may be shown by a two-sided approach considering the negative aspects of each choice.**		

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