

TVET - Entrepreneurship B

T111

Monday, 26/11/2018

02:00 – 05:00 PM

WORKFORCE DEVELOPMENT AUTHORITY



P.O. BOX 2707 Kigali, Rwanda Tel: (+250) 255113365

**ADVANCED LEVEL NATIONAL EXAMINATIONS, 2018,
TECHNICAL AND PROFESSIONAL STUDIES**

EXAM TITLE: ENTREPRENEURSHIP B

OPTIONS:

“Electricity (ELC), Computer Electronics (CEL), Electronics and Telecommunication (ETL), Construction (CST), Public Works (PWO), Surveying (SUR), Computer Science (CSC), Computer Science and Management (CSM), Carpentry (CAP), Graphic Arts (ART), Sculpture and Ceramics (SCE), Tailoring (TAL), General Mechanics (GME), Motor Vehicle Mechanics (MVM), Hotel Operations (HOT), Secretarial (SEC), Tourism (TOR)”

DURATION: 3 hours

INSTRUCTIONS:

The paper is composed of **two (2) main Sections** as follows:

Section I: Fourteen (14) compulsory questions. 55 marks

Section II: Attempt any three (3) out of five questions. 45 marks

Note:

Every candidate is required to carefully comply with the above instructions. Penalty measures will be applied on their strict consideration.

01. Distinguish between a limited liability company and a partnership business. (2 marks)
02. Explain:
- a. Inflation
 - b. Unemployment
 - c. Decision making (6 marks)
03. Explain briefly any three (3) reasons why it is necessary for individuals to save a part of their income. (3 marks)
04. Differentiate creativity from Innovation. (3 marks)
05. State any three (3) purposes of a business plan. (3 marks)
06. The following information was extracted from the books of ABAYO TRADERS as at 31/12/2017.

<u>Items</u>	<u>Frw</u>
Purchases	330,000
Sales returns	5,000
Purchase returns	4,500
Sales	510,000
Stock (1/1/2017)	100,000
Stock (31/12/2017)	10,000

Calculate the following (show clearly all your workings):

- a) Goods available for sales
 - b) Cost of sales
 - c) Gross Profit (6 marks)
07. Explain how the following indicators reveal the business growth:
- a) Level of profit
 - b) Taxes paid
 - c) Number of branches
 - d) Growth of assets (4 marks)

- 08.** After defining the term “personal selling”, mention its three advantages. **(5 marks)**
- 09.** Leadership is different from management. The manager has authority to get things done but a leader may or may not have authority.
 a) What is leadership? *to do st*
 b) State and explain three (3) characteristics of Leadership. **(4 marks)**
- 10.** Income is the amount of money or asset received over a period of time either as a payment of work, goods or service or as profit on capital. To what does it refer to? **(3 marks)**
- 11.** Rwanda is promoting made in Rwanda products where many of the products to put on market should be locally produced. Identify any four (4) different measures that should be implemented to increase the consumption of domestic products. **(4 marks)**
- 12.** Mention any two reasons for carrying out market assessment. **(2 marks)**
- 13.** Match the elements in column A to the corresponding one in column B so as to get a correct meaning of each expression in column A. **(6 marks)**

A	B
Marketing	Is a systematic gathering, recording and analysing of data about problems relating to marketing of goods and services.
Primary data	Are data collected especially for a particular purpose, directly from the relevant sources (Field).
Market research	Is the management process responsible for identifying, anticipating and satisfying customer requirements profitably.
Market segmentation	Are data which have already been gathered and assembled for other purpose or for general reference.

Target marketing	Is the subdividing of a market into distinct and increasingly homogeneous subgroups of customers, where any subgroup can conceivably be selected as a target to meet with distinct marketing mix.
Secondary data	Involves selecting one or more customer group (segment) and satisfying them with a tailored marketing mix.

- 14.** Every transaction conducted in the business is concerned about money and a big number of people are involved in the business. Identify four ways that an entrepreneur can ensure the proper business cash management. **(4 marks)**

Section II. Choose and Answer any three (3) questions. 45 marks

- 15.** Explain in details how the following two (2) factors help an entrepreneur to maintain good relationship with customer:

- Being honest to customers and
- Proper handling of customer complaints **(15 marks)**

- 16.** You intend to start a bakery project. Define and then design a business plan. **(15 marks)**

- 17.** State and explain six (6) steps involved in decision making process. **(15 marks)**

18. Using the following information, draw a two column cashbook for INYANGE technical Company Ltd and balance it off. **(15 marks)**

Jan-18	FRW
1 Cash in hand (Debit)	2,500,000
2 Cash at bank (Debit)	10,000,000
2 Cash taken to the bank	1,000,000
5 Bought furniture and issued cheque	2,000,000
8 Purchased goods for cash	500,000
12 Received cash from Muhire	980,000
Bought electricity by cash	20,000
14 Cash Sales	4,000,000
16 Paid to T&S supplier by cheque	1,450,000
Paid transport by cash	50,000
19 Bought land and paid cash	400,000
23 Withdrawn money from Bank for private expenses	600,000
24 Received cheque from INEZA	1,430,000
Paid tax by cheque	20,000
28 Withdrawn money from bank for office use	2,000,000
30 Paid rent by cheque	800,000

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19. The following information was extracted from the books of AZ WORKING CO.LTD for the year ended 31/12/2016. Prepare the balance sheet as at 31/12/2016. **(15 marks)**

December, 2016	Frw
Debtors	900,000
<u>Cash at bank</u>	760,000
Creditors	600,000
Machinery	2,200,000
Stock (31/12/2015)	980,000
Furniture and fittings	480,000
Drawings	400,000
<u>Cash in hands</u>	240,000
Net Loss	3,240,000
Bank loan for 2 years	1,000,000
Capital	7,600,000