

ENTREPRENEURSHIP II

020

12/11/2019

2 PM – 5 PM



Rwanda Education Board

ADVANCED LEVEL NATIONAL EXAMINATIONS, 2019

SUBJECT : ENTREPRENEURSHIP

COMBINATIONS:

- ALL SCIENCE COMBINATIONS**
- ALL HUMANITIES COMBINATIONS**
- ALL LANGUAGES COMBINATIONS**

DURATION : 3 HOURS

INSTRUCTIONS:

- 1) Write your names and index number on the answer booklet as written on your registration form and **DO NOT** write your names and index number on additional answer sheets of paper if provided.
- 2) Do not open this question paper until you are told to do so.
- 3) This paper consists of **TWO** sections: **A** and **B**.

SECTION A: Attempt **ALL** questions. **(55 marks)**

SECTION B: Attempt **any THREE** questions. **(45 marks)**

- 4) Calculators may be used where necessary.
- 5) Show clearly all the working. **No marks will be given for answers which do not have working steps.**
- 6) Use only a **blue** or **black** pen.

SECTION A: ATTEMPT ALL QUESTIONS (55 marks)

1) Schematise and explain the entrepreneurial process. **(6marks)**

2) Show the relationship between the budget, business plan and action plan. **(6marks)**

3) Explain the following quote by Steven Jobs, an important entrepreneur in the world, the co-founder of Apple Computer company who said "Stay hungry, Stay foolish." **(6marks)**

4) A businessman walked into a bank and asked for a loan of 100,000Frw. He offered his expensive car as collateral and the loan was approved.

A year later, he came back, repaid the loan and a 10% interest.

Remember that having the car parked requires a parking fee of 100 Frw per hour. The puzzled bank manager asked the man whether he really needed that loan to the extent of giving his expensive car as collateral for a whole year. The businessman replied "That is simple just think out of the box".

Give and explain the reasons for the businessman's response to the bank manager in this manner. **(5marks)**

5) By giving relevant examples, show how balance sheets and income statements are connected. **(6marks)**

6) Summarize the main responsibilities of any four legal institutions in Rwanda. **(5marks)**

7) Suppose you are the Head of Accounting and Finance Department in Inyange Enterprise. Explain to your colleague your responsibilities. **(5marks)**

8) What marketing technique was used by RDB on May 23, 2018 for its product when Rwanda became the official tourism partner of the English football club Arsenal?

Explain any two advantages of this marketing technique to the Rwandan society. **(5marks)**

9) Mwiza Aline had the best year ever, with sales of 4,500,000Frw and operating profit of 950,000Frw. The balance sheet at the beginning of the year showed assets used in production with a cost of 20,000,000Frw and accumulated depreciation of 5,000,000Frw. The company didn't buy any assets during the year but did have depreciation expense of 1,000,000Frw.

Calculate the Return on investment for the year.

(6marks)

10) Suppose you are the chief waiter/waitress in Radisson Hotel. Outline any five skills you may need to resolve conflicts at your work.

(5marks)

SECTION B: ATTEMPT ANY THREE QUESTIONS (45 marks)

11) In July 2016, The government of Rwanda hiked tariffs on imported second-hand garments (guca caguwa).

By this year 2019, Rwanda is also planning to completely ban all imports of used clothes and shoes from around the world .

a) Do you think that this decision is an opportunity or a problem/challenge to Rwandan Entrepreneurs?

Justify your answer.

(3marks)

b) Kamana Christian is an important entrepreneur in Rwanda who wants to take advantage of this government decision.

Prepare an executive summary for Kamana 's business.

(12marks)

12) Mukamwiza Joy and Karekezi John are partners who want to jointly run a Beauty fashion company in Rubavu District next month. Prepare a partnership deed for them.

(15marks)

13) The following figures relate to monthly salaries of Tubiteho company employees for 2019:

a) Director Kagara John earns 350,000frw

b) Accountant Mubiligi James earns 150,000frw

c) Security Semasaka Damien earns 30,001frw

d) Secretary Mukamana Joana earns 77,000frw

e) Casual labourer Kankindi Anitha earns 150,000Frw

Required:

Calculate the total PAYE for the above employees that Tubiteho company pays to RRA every month.

(15marks)

14) As a business person, you are planning to initiate a new product "Made in Rwanda school uniform" in the market. This is an activity that requires deep and serious research in order to produce a product that will be appreciated by the buyers. You particularly want to find out the following:

- Characteristics of a good school uniform.
- Size of the market.
- Appropriate price.

Required:

a) Identify the sample. **(5marks)**

b) Design a questionnaire to be used while collecting data. **(10marks)**

15) The following balances are taken from the books of George Munyandinda at the end of his first year trading on 31 October 2019.

	<i>Debit (Dr)</i> Frw	<i>Credit (Cr)</i> Frw
Sales		40,000
Purchases	18,500	
Wages and salaries	5,100	
Repairs and maintenance	1,300	
Heating and lighting	900	
General expenses	1,200	
Insurance	800	
Cash at bank	2,200	
Cash in hand	1,300	
Trade receivables	4,100	
Trade payables		3,400
Premises	30,000	
Fixtures and fittings	10,000	
Motor vehicle	8,000	
Capital at 1 Nov.2018		<u>52,000</u>
Drawings	<u>12,000</u>	
	<u>95,400</u>	<u>95,400</u>

The following additional information is available:
Inventory on 31 October 2019 was valued at 4,500frw.

Required:

a) Prepare an income statement for the year ending 31 October 2019. **(10marks)**

b) Prepare a balance sheet as of 31 October 2019. **(5marks)**