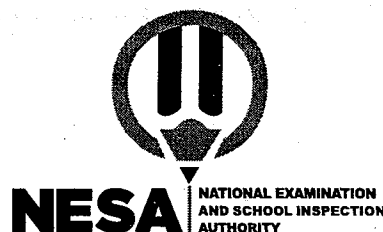


ENTREPRENEURSHIP II

020

26/07/ 2022

2:00PM – 5:00PM



ADVANCED LEVEL NATIONAL EXAMINATIONS, 2021-2022

SUBJECT: ENTREPRENEURSHIP II

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 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 all working steps.**
- 6) Use only a **blue** or **black** pen

SECTION A: Answer all questions (55 marks)

- 1) Define the following terms:
 - a) Business idea **(2 marks)**
 - b) Business opportunity **(2 marks)**

- 2) Karekezi Claude wants to buy a plot of land located in Nyabisindu Sector in Muhanga District. However, he is worried about losing his money and he wants a contract of sale as security for his money.
 - a) What do you understand by the term contract? **(2 marks)**
 - b) State any three parties that Karekezi Claude can include in the contract to make it valid. **(3 marks)**

- 3)
 - a) What do you understand by the term “Socio-economic Development”? **(2 marks)**
 - b) Environmental Impact Assessment (EIA) was adopted to effectively manage environmental challenges in the country. Identify any four of these challenges. **(4 marks)**

- 4) Suppose you want to setup a business after your studies, describe any six ways in which you would ensure good customer relations in your business. **(6 marks)**

- 5) With an example on each, show the difference between financial and stock exchange markets. **(6 marks)**

- 6) Outline any six steps followed in setting a SMART goal and achieving it. **(6 marks)**

- 7) Basing on your knowledge on civic education, standards in business and other knowledge related to rights and obligations of a taxpayer; explain any six rights of a taxpayer. **(6 marks)**

- 8) Outline the difference between Perpetual and Periodic Inventories. **(4 marks)**
- 9) As a student in S6 Keza Naomi is ready to choose what she wishes to study at the university. Since her childhood, she dreams of becoming a medical doctor in one of the reputable hospitals but she has the challenge of not performing well in sciences. She is approaching you for career guidance. Based on the competences acquired in entrepreneurship (career opportunity); demonstrate any six factors that will influence her choice of a career. **(6 marks)**
- 10) You plan to start up a business where you will hire two persons to help you in running your business. Identify any six rights of employees. **(6 marks)**

SECTION B: Attempt any three questions (45 marks)

- 11) INTEGO COMPANY LTD is considering two projects for which it wants to get a loan from Bank of Kigali (BK). The projects will bring the following cash flows:

Year	Project A	Project B
0	(100,000)	(100,000)
1	40,000	50,000
2	40,000	0
3	40,000	0
4	40,000	0
5	40,000	250,000

INTEGO COMPANY LTD accepts only a project which brings back the money they used to start (payback period) in 3 years or less.

Required:

Compute;

- a) The total cash inflows for each project. **(6 marks)**
- b) The payback period for these two projects. **(6 marks)**
- c) Select a project which INTEGO COMPANY LTD will choose given their requirement. **(3 marks)**

- 12) AKARABO Jane is a secondary school graduate. She wishes to start an agri-business of growing and selling potatoes in Rubavu.

AKARABO Jane hopes to run the business if she starts with environment analysis. She is very courageous, self-confident, team manager, hardworking but she thinks she can be challenged by recent COVID-19 pandemic, global economic challenges and Tanzania is going to supply to the competitive market the very good quality of potatoes. She is lucky but she doesn't have skills in Agriculture, nor enough money to start the business, but Umurenge Sacco is offering loans to young entrepreneurs. Also RDB is helping agri-business people to find markets for their products. Her father promises to support her by renting a business location for her for one year. She doesn't have a land on which to grow potatoes, the cost of renting land is high and her friend who studies agri-business at the University accepts to work with her during the holidays.

After reading the above text, help AKARABO Jane to analyse the business idea using the following SWOT Chart:

Internal environmental elements	External environmental elements
Strengths of AKARABO Jane: (4 marks)	Opportunities of AKARABO Jane: (4 marks)
Weaknesses of AKARABO Jane: (3 marks)	Threats of AKARABO Jane: (4 marks)

- 13) Clearly differentiate between partnership from sole proprietorship. **(15 marks)**
- 14) Analyse any five methods used while collecting primary data. **(15 marks)**

15) Assume that you are the Director of Rwanda Development Board (RDB). During a meeting, you are asked to advise businessmen and businesswomen on business ethics. Explain any three ethics (on each category of people) you would advise the businessmen/businesswomen to follow in dealing with:

- a) Customers **(3 marks)**
- b) Employees **(3 marks)**
- c) Government **(3 marks)**
- d) Shareholders **(3 marks)**
- e) Society **(3 marks)**

16) The table below shows RUBAYIZA ENTERPRISES transactions for July and August 2021.

Details	July Frw	August Frw
Purchase of Assets	2,000,000	2,500,000
Payment of wages	90,000	100,000
Receipts from sales	1,000,000	1,500,000
Loan	3,000,000	2,000,000
Repayment of loan installment	500,000	450,000
Payment of rent	60,000	70,000
Purchase of raw materials	1,000,000	1,200,000
Sale of refreshments	2,650,000	3,000,000
Tax	100,000	120,000
Debtors	300,000	350,000
Creditors	160,000	150,000
Acquisition of furniture	180,000	170,000
Grants from friends	20,000	140,000
Disco dance collection	4,000,000	4,500,000
Sale of old furniture	120,000	100,000
Rates	150,000	160,000
Transport expenses	100,000	90,000
Installation of new machinery	250,000	200,000
Cinema collection	160,000	200,000
Electricity bills	70,000	72,000

Required to:

- a) Prepare RUBAYIZA ENTERPRISES' cash flow statement for the two months.
(10 marks)
- b) State the cash position of RUBAYIZA ENTERPRISES for the two months.
(2 marks)
- c) Suggest measures that RUBAYIZA ENTERPRISES should take into account to avoid a deficit in the cash flow.
(3 marks)

- END -

BLANK PAGE

BLANK PAGE