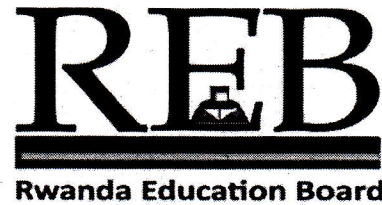


Entrepreneurship I

004

24/11/ 2017 02:00 PM – 05:00 PM



ORDINARY LEVEL NATIONAL EXAMINATIONS, 2017

SUBJECT: ENTREPRENEURSHIP

DURATION: 3 HOURS

INSTRUCTIONS:

- 1) Write your names and index number as they appear on your registration form and **DO NOT** write your names and index number on additional sheets of paper if provided.
- 2) Do not open this question paper until you are told to do so.
- 3) This paper has **Two** Sections: **A** and **B**.
SECTION A: Answer **all** questions. **(55 marks)**
SECTION B: Answer only **three** questions. **(45 marks)**
- 4) Calculators may be used where necessary.
- 5) Show all the **working steps** clearly.
- 6) Use only a **blue** or **black** pen.

SECTION A: Attempt all questions (55 marks)

- 1) Explain any two types of trade and give one advantage of each type. (6marks)
- 2) List any four conditions for success in selling goods or services. (4marks)
- 3) Explain any three elements you would consider when carrying out marketing mix. (6marks)
- 4) a) Distinguish between a journal and journalisation. (4marks)
 b) Mention any two advantages of a Journal. (2marks)
- 5) Explain any three types of bank accounts. (6marks)
- 6) Describe any four factors that influence transport costs. (4marks)
- 7) Explain any two methods of stock evaluation. (4marks)
- 8) State any four factors that influence the location of an enterprise. (4marks)
- 9) Explain any five economic questions. (5marks)
- 10) a) Define the word "priority". (2marks)
 b) Give any three examples to explain the importance of priorities. (3marks)
- 11) Explain any five advantages of accounting. (5marks)

SECTION B: Attempt only three questions (45 Marks)

- 12) a) Describe any two types of needs. (3marks)
 b) Explain the relationship between trade and aids to trade in a business. (12marks)
- 13) a) Mention any three reasons for keeping records in an enterprise. (3marks)
 b) Giving relevant examples, explain the Rwandan banking system. (12marks)

*As that to trade
 33 then to trade
 33 then to trade
 33 then to trade
 33 then to trade*

*need: it's any essential thing that is needed for survival
 primary need: this is ~~an~~ require an immediate satisfaction
 saving account - it helps to plan ahead
 credit to bank - it helps to know whether the business has made a profit or loss
 secondary need: ~~the~~ when primary needs are satisfied.
 different 7) it helps to know the firm's performance of an enterprise*

14) Prepare MUSINGI enterprise balance sheet as of 31 December 2016 using the transaction data given below:

MUSINGI enterprise had the following balances of assets and liabilities as of 31 December 2016: **(15marks)**

	RWF
Buildings ✓	500,000
Furniture ✓	250,000
Motor van ✓	315,000
Trade creditors ✓	85,000
Trade debtors ✓	36,500
Salary owing ✓	10,000
<i>L/A</i> Prepaid insurance ✓	5,400
<i>A/A</i> Capital _____	650,300
<i>ASS</i> Long-term loan ✓ _____	350,000
<i>ASS</i> Bank overdraft ✓ _____	12,000
<i>L</i> Cash in hand ✓ _____	5,600
<i>A/A</i> Stock _____	7,300
<i>L/A</i> Net profit _____	30,000
<i>ASS</i> Drawings _____	18,000

15) Draw up an appropriate cash book of Mr Kamuli for the month of October 2017 using the following data: **(15marks)**

<i>EX</i> 01/10 Cash introduced in the business	400,000Rwf
<i>EX</i> 02/10 Paid rent in cash	120,000Rwf
<i>BA</i> 03/10 Cash deposited into the bank	100,000Rwf
<i>CR</i> 05/10 Purchase of furniture by cheque	120,000Rwf
<i>IN</i> 07/10 Received a cheque from Albert	100,000Rwf
<i>EX</i> 14/10 Paid salaries in cash	80,000Rwf
<i>IN</i> 20/10 Withdrew cash from the bank for business use	80,000Rwf
<i>IN</i> 24/10 Sold goods in cash	50,000Rwf
<i>EX</i> 26/10 Purchased a machine by cheque	150,000Rwf
<i>IN</i> 31/10 Received credit from Umurenge Sacco	300,000Rwf.