

Entrepreneurship

Date:22/06/2022
Period:14H00-17H00



END OF TERM III EXAMINATIONS

GRADE / LEVEL: SENIOR TWO (S2)

COMBINATIONS: ORDINARY LEVEL

DURATION: Three hours

MARKS: /100

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: Answer **ALL** questions. **(55 marks)**
SECTION B: Answer **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 a **blue** or **black** pen

SECTION A. Answer ALL questions (55 Marks)

1. Define the following concepts: **(4 Marks)**
 - i. Intrapreneur **(2 Marks)**
 - i. Enterprising person **(2 Marks)**
2. Identify any six importance of setting goals. **(6 Marks)**
3. Find any six reasons why do people work in Rwanda. **(6 Marks)**
4. Classify any three types of agricultural businesses by giving an example on each. **(6 Marks)**
5. As an individual, you have very many things that you want and others that you need. Using examples, differentiate needs from wants. **(4 Marks)**
6. **a)** Name the independent body that is responsible for collecting and managing of taxes in Rwanda. **(2 Marks)**
b) What is the difference between a tax payer and a tax collector? **(4 Marks)**
7. Outline any three incomes and three expenditures for your family budget. **(6 Marks)**
8. Most people earn money which seem to be enough but at the end they find it difficult to pay for their needs as expected. Explain to them any three importance of marking a budget before using the money. **(6 Marks)**
9. List any five source documents that can be used by business people to record different transactions. **(5 Marks)**
10. Select any three importance of accurate measurements in an enterprise. **(6 Marks)**

SECTION B. Answer any THREE questions (45 Marks)

11.a) What do you understand by personal qualities? **(1 Mark)**

b) You have been invited to give a talk on goal setting to senior one student in a neighbouring school. Explain any seven obstacles that hinders someone in goal setting. **(14 Marks)**

12. Do you think it was a right decision for Rwanda to join East African community as a regional market? If yes or no, using any five reasons to justify your answer. **(15 marks)**

13. Enterprise Urwibutso Nyirangarama has given a list of employees with their monthly incomes to RRA as follows:

Mukamana earns 450,000Frw

Gahima earns 150,000 Frw

Murenzi earns 100,000 Frw

Keza earns 35,000 Frw

Bagabo earns 29,999 Frw

Required: Calculate the total P.A.Y.E Enterprise Urwibutso Nyirangarama pays to Rwanda Revenue for all its workers. **(15marks)**

14. Discuss the different books of prime entry you know. **(15 marks)**

END

MARKING GUIDE -SENIOR TWO-ORDINALY LEVEL

SECTION A. Answer all questions (55 Marks)

1. Define the following concepts: **(4 Marks)**

- i. Intrapreneur **(2 Marks)**
- i. Enterprising person **(2 Marks)**

Answer

- i) Intrapreneur is a** person who while remaining in a large organisation, uses the entrepreneurial skills to develop new products or line of business as a subsidiary of the organisation.
- ii) An enterprising person** refers to someone who takes on risky projects or business in order to fulfil a need.

2. Identify any six importance of setting goals. **(6 Marks)**

Answer

Importance of goal setting in business

Goals are an important part of running a successful business,

- They can give you a clear focus, motivate employees and set targets for your business to work towards.
- Goal setting can also provide you with a set of criteria to see if your business is succeeding.
- Having clear, well-defined goals can help you take control of your business's direction and increase the chances of achieving your larger business targets.
- By having clear goals, you become aware of precisely what you want to achieve and how to go about doing it.
- You are able to more accurately assess and measure your ability to accomplish the goals and most importantly, you have a plan that can guide you along the way and keep you on track.
- Having a vision and a supporting plan of what you want to achieve in life is necessary if you ever
- Helping in decision making: goal setting helps in identifying the problem to be solved which is major step in decision making.

- Evaluating of performance: It helps the entrepreneur to determine his/her performance and that of the workers.
- Maximum utilization of resources: since goals are set bearing in mind the fact that resources are scarce; the entrepreneur is forced to optimize the use of limited resources in order to achieve his goals.
- Providing targets that are to be achieved: A good goal can help the entrepreneur to work towards achieving set targets. Having goals and staying committed to them will keep your focus on the things that you have identified as essential to reaching your desired outcomes.
- Too often, we expend precious time on issues that have nothing to do with what we really want in our lives. We get distracted by focusing on what others are doing and achieving, and striving to do the same.
- Add commitment and determination to your goals and you will find that you are willing to take continuous and consistent action toward making your dreams a reality, despite any obstacles in your path, including difficult times. **Goals + commitment = dreams come true.**

3. Find any six reasons why do people work in Rwanda.

(6 Marks)

Answer

Importance of work

- Its source of food.
- Source of income.
- Source of medicine to human health.
- Helps to keep the body fit.
- Help to acquire knowledge.
- Improves infrastructure development.
- Improves the standards of living of people.
- Its source of leisure and entertainment.

4. Classify any three types of agricultural businesses by giving an example on each.

(6 Marks)

Answer

Types of agricultural businesses include;

- Crop growing and selling both cash crops and food crops. E.g. coffee, cotton, cereal crops etc.

- Poultry (common farm birds) different bird species reared for sell e.g. hens, ducks, doves, among others
- Livestock. (Keeping domestic animals for money) e.g. cows, goats, dogs, sheep etc.
- Floriculture e.g. selling flowers for decoration.
- Fishing e.g. rearing of fish in ponds and catch them from water bodies to get money.
- Horticulture e.g., growing and selling vegetables and fruits.

5. As an individual, you have very many things that you want and others that you need. Using examples, differentiate needs from wants. **(4 Marks)**

Answer

Contrast or difference between needs and wants

Needs are things that someone requires to survive like food, water, shelter etc. Needs are basic things people cannot live without **while**

Want are things that someone desire to have but its absence does not affect his life or wants are regarded as secondary needs like buying a bicycle, laptop,

6. a) Name the independent body that is responsible for collecting and managing of taxes in Rwanda. **(2 Marks)**

b) What is the difference between a tax payer and a tax collector? **(4 Marks)**

Answer

a) The independent body is **Rwanda revenue authority (RRA)**.

b) Difference between taxpayer and tax collector

The tax payer is a person or enterprise that is registered in RRA to pay tax.

While

A tax collector is an administrative agent who is in charge of collecting tax fees from tax payers.

7. Outline any three incomes and three expenditures for your family budget. **(6 Marks)**

Answer

Incomes include;

- | | |
|---|--|
| <ul style="list-style-type: none"> • Salary • Profits on trading activities | <ul style="list-style-type: none"> • Grants • Gifts • Donations • Sale of assets |
|---|--|

- Interest on lent money
- Sale of shares
- Commission
- Sales of goods
- electricity
- food
- medical care
- transport
- entertainment
- clothes
- school fees
- airtime
- rent among others

Expenses include;

- water bills

8. Most people earn money which seem to be enough but at the end they find it difficult to pay for their needs as expected. Explain to them any three importance of marking a budget before using the money. **(6 Marks)**

Answer

Importance of marking a budget before spending money:

- It helps to identify the expenses and the sources of income during a given period and see if the income will be enough to finance these needs
- Prioritize on the expenses. That is spending on what is more essential than others.
- It helps to determine whether there is need for sources for external funding
- It helps to Plan ahead (a budget is an instrument to help u achieve your objectives)
- It allows for proper utilization of personal resources.
- It reveals potential financial hindrances/problems of the person before they occur.
- It provides definite goals and objectives that serve as benchmarks for evaluating the performances in personal gaols.
- It aids in decision making basing on the money someone expects to earn.
- It reminds the person in settling debts and other related bills like water, electricity, internet, television subscription among others.
- It helps to cover for emergency cases like sickness, accident among other since during budgeting, money for such may be allocated.

9. List any five source documents that can be used by business people to record different transactions. **(5 Marks)**

Answer

Examples of source documents used in business:

- Cheque stubs.
- Supplier invoices
- Purchase order
- Debit notes
- Delivery notes
- Bank statements
- Bank deposit slips
- Cash receipt
- Cash payment voucher
- Credit notes
- Goods receipt notes
- Goods returned notes
- Cash sales notes

10. Select any three importance of accurate measurements in an enterprise.

(6 Marks)

Answer

Importance of accurate measurements are the following,

- **Safety reasons.** for any product made if less or more expected ingredients are used, the product may be catastrophic and harmful to the people. Accurate measurements of the ingredients and raw materials while making products must be observed.
- **Consumer protection.** measurement, and goods packed by measure, has generally replaced number and simple measures (bucket, plate etc.) as the basis of transaction for a wide range of consumer commodities and products.
- **Meeting customer's preferences;** for example, when it comes to clothes, proper size and measurements as per customers' preferences must be taken into consideration. Customers would want to put what suits them according to their preferred size.
- **Accurate measurements help entrepreneurs to make proper decisions.** For example, if the quantity of what customers need is over estimated while making decisions, it may lead to losses as much resource would have been wasted in producing more than what customers need.
- **Effective stock control;** accurate measurements of quantity to sell by individual businesses provides accurate and effective stock control to facilitate the ordering of new stock.

SECTION B. Answer any three questions (45 Marks)

11.a) What do you understand by personal qualities?

(1 Mark)

b) You have been invited to give a talk on goal setting to senior one student in a neighbouring school. Explain any seven obstacles that hinders someone in goal setting. **(15 Marks)**

Answer

a) Personal qualities are personal characteristics of an individual. They are what make up that person's personality

b) Obstacles that hinders someone in goal setting

- Inadequate time, sometimes it is hard to get time to concentrate and set a right goal
- Individual habits. It becomes hard especially to people who are rigid in behaviours and habits
- Stress. A stressed minded person cannot easily have the ability to set a good goal
- Lack of enough of knowledge and skills
- Lack of energy to progress. Setting goal requires an individual's energy to think very hard and well
- Lack of enough information better goals especially on clear steps of setting a goal
- Lack motivation from successful people who may have set

12. Do you think it was a right decision for Rwanda to join East African community as a regional market? If yes or no, using any five reasons to justify your answer. **(15 marks)**

Answer

Yes, because Rwanda's joining regional market has the following advantages:

- It helps Rwanda to obtain goods and services that she cannot produce from other countries.
- It helps the country to specialise on what she can do better. This reduces unnecessary expenditures for Rwanda.
- Expanded market for Rwanda's products
- The surplus on domestic market is exported in the region therefore wastage is avoided.

- The regional trades encourage good relationships between member countries or between their inhabitants.
- It improves the standards of living of people since the country get certain products from other countries that are not available in Rwanda.
- It allows the exchange of experience and technology with other member countries.
- It allows consumers to acquire less expensive goods and services.
- Employment opportunities created for Rwandans
- Reduce imported inflation by importing products from nearby countries
- The state receives customs duties and entrance taxes at the borders which can be used as capital for the county's projects.

13. Enterprise Urwibutso Nyirangarama has given a list of employees with their monthly incomes to RRA as follows:

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Gahima earns 150,000 Frw

Murenzi earns 100,000 Frw

Keza earns 35,000 Frw

Bagabo earns 29,999 Frw

Required: Calculate the total P.A.Y.E Enterprise Urwibutso Nyirangarama pays to Rwanda Revenue for all its workers. **(15marks)**

Answer

TOTAL PAY FOR ENTERPRISE URWIBUTSO NYIRANGARAMA

Workers	Salary	amount exempted 30000	amount taxed at 20%	amount taxed on 30%	Grand total tax for Enterprise Nyirangarama
Mukamana	450,000	0	14,000	105,000	119,000
Gahima	150,000	0	14,000	15,000	29,000
Murenzi	100,000	0	14,000	0	14,000
Keza	35,000	0	1,000	0	1,000
Bagabo	29,999	0	0	0	0
Grand Total					163,000

Workings:

1. Mukamana earns 450,000Frw

1st 30000 * 0/100 = 0 Frw

2nd 100,000 - 30,000 = 70,000 Frw

70000 * 20/100 = 14,000 Frw

3rd 450000 - 100000 = 350,000 Frw

350000 * 30/100 = 105,000 Frw

Total, 0 + 14,000 + 105,000 = 119,000 Frw

Marks)

(3

2. Gahima earns 150,000 Frw

1st, 30,000x0/100= 0 Frw

2nd, 100000 - 30000 = 70000 Frw

70,000x20/100= 14,000 Frw

50,000x30/100= 15,000 Frw

Total: 0 + 14000 + 15000 = 29000 Frw

(3 Marks)

3. Murenzi earns 100,000 Frw

1st, 30,000x0/100 = 0 Frw

2nd, 100,000-30,000= 70,000 Frw

70,000x20/100

=14,000 Frw

Total: 0 + 14,000rwf =14,000 Frw

(3 Marks)

4. Keza earns 35000 Frw

1st, 30,000x0/100 =0 Frw

2nd, 35,000-30,000=5,000 Frw

5,000x20/100= 1,000 Frw

Total: 0 + 1000 = 1,000 Frw

(3 Marks)

5. Bagabo earns 29,999 Frw

1st, $29,999 \times 0/100 = 0$ Frw

2nd, $29,999 - 30,000 = -1$ Frw

This salary is exempted.

Total tax paid to RRA = $119,000 + 29,000 + 14,000 + 1,000 + 0 = \mathbf{163,000}$ Frw

(3 Marks)

14. Discuss the different books of prime entry you know.

(15 marks)

Answer

Books of Prime entry or books of original entry are discussed as below;

- **Cashbooks.** The Cash Journal or cashbooks are journals where cash transactions are recorded. There are two types of cash journals, a Cash Receipts Journal (CRJ) and a Cash Payments Journal
- **Purchases Journal.** The Purchases Journal is a record of all the items that a business buys on credit (where the goods are paid at a later date).
- **Purchase Returns Journal or return out words (R.O.W) journal.** A Purchase Returns Journal records the transactions of a business returning goods to the supplier
- **The Sales Journal.** The General Journal is divided up into smaller journals. The Sales Journal records the credit sales of a business (when the goods are sold and payment is collected at a later date)
- **Sales Returns Journal or return in words (R.I.W.) journal.** A Sales Returns Journal records when a customer returns a product. This happens when goods are damaged or when a customer receives an incorrect order.
- **The General Journal.** This is a master journal used to keep a chronological record of all financial transactions of a company. It is also called a master journal. A typical General Journal has columns that lists the date of the transaction, a description of the account, a posting reference (PR) and the debit (Dr) and credit (Cr) amounts.

END