



NESAS NATIONAL EXAMINATION AND SCHOOL INSPECTION AUTHORITY

ENTREPRENEURSHIP III
EN002
11/07/ 2025 8:30 AM - 11:30 AM

Names:
Index number:

SUBJECT: ENTREPRENEURSHIP

OPTION : ACCOUNTING

DURATION: 3 HOURS

S6 QUESTIONS and ANSWERS BOOKLET

ADVANCED LEVEL NATIONAL EXAMINATIONS, 2024-2025

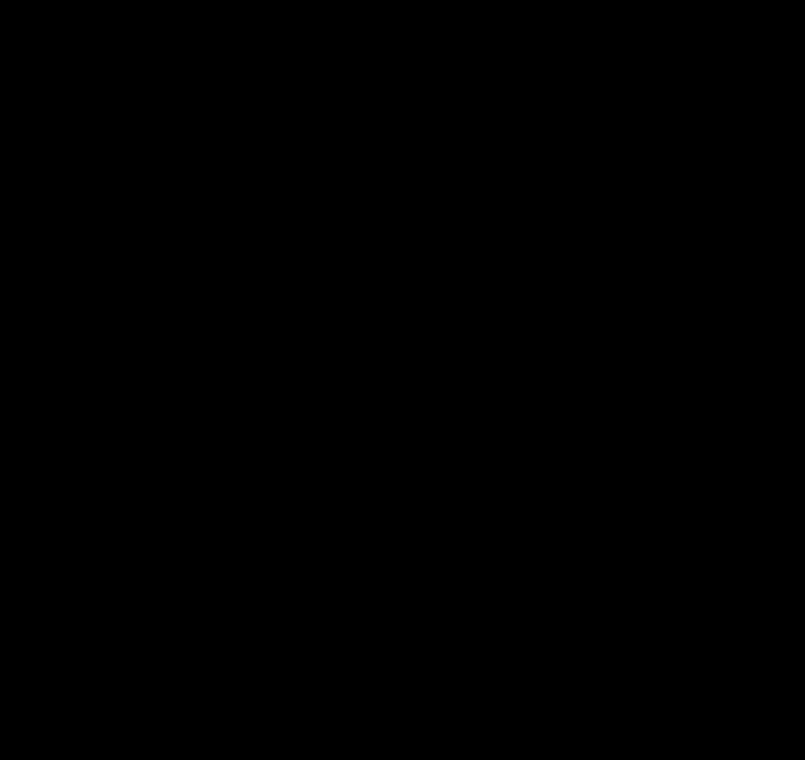
FOR EXAMINER'S USE ONLY

Table with 4 columns: Questions, Marks, Questions, Marks. Rows 1-15.

Instructions to candidates:

- 1) Write your names and index number on the answer booklet as written on your registration form.
2) Do not open this question paper until you are told to do so.
3) This paper consists of THREE sections: A, B and C.
Section A: Attempt ALL questions. (40 marks)
Section B: Attempt any THREE questions. (30 marks)
Section C: Attempt any TWO questions. (30 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

TOTAL MARKS...../100



Section A. All questions are compulsory (40 marks)

1) Which of the following is a common source of business ideas? **(2 marks)**

- A) Random inspiration without any market research.
- B) Observing unmet needs or problems in the market.
- C) Relying solely on competitor strategies
- D) Avoiding feedback from customers

2) Match the following concept stages of entrepreneurial pathway with their meaning in the table below: **(4 marks)**

Concept stage	Meaning
A) Launch	i) Once you have validated your business idea through research and testing, it is time to design a plan.
B) Explore	ii) Once you feel comfortable with your planning and secure sufficient capital to execute, it's finally time to initiate your business.
C) Develop	iii) A good business idea is only a starting point for comprehensive market analysis.
D) Build	iv) Crafting a business idea is the first step for any start-up. In this stage, you will find resources that will help you cultivate and identify good ideas, and then clearly define and communicate your business idea.

3) Which of the following is a characteristic of a centrally planned economy (also called a command or planned economy)? **(2 marks)**

- A) Private businesses are free to operate without government regulation
- B) The government makes all decisions about what, how, and for whom goods and services are produced
- C) Prices are set by the forces of supply and demand
- D) Businesses compete in a free market without government interference

4) What is a Personal Development Plan (PDP)? **(2 marks)**

- A) A tool to assess employee performance
- B) A list of tasks to be completed by an employee
- C) A document outlining the company's overall goals
- D) A clear developmental action plan agreed with the supervisor, acting as a "learning contract"

5) Fill in the blank spaces using the appropriate economic concepts from the brackets (economic decline, economic growth). **(2 marks)**

The PPF may shift inwards or outwards. A shift of the PPF inwards indicates While a shift outward indicates.....

6) In a free-market economy, how would the price of a commodity be determined if there is no government intervention? **(2 marks)**

- A) Prices would be fixed by a central authority.
- B) Prices would be based solely on historical cost of production.
- C) Prices are determined by producers alone, without consumer input.
- D) Prices are determined by the forces of demand and supply, where producers aim for profit maximization and consumers aim for utility maximization.

7) State whether each of the following statements is **True** or **False**. **(3 marks)**

- A) Market research involves collecting and analyzing data about the demand for a product or service, including information about consumers, competitors, and distributors.....
- B) Market research only focuses on consumer preferences and does not involve analyzing competitors or distributors.....
- C) Market research is the process of analyzing a company's internal operations without considering external market factors.....

8) Match these concepts with their corresponding meanings.

(3 marks)

Concepts	Meanings
A) Consumer	i) Refers to the additional/extra satisfaction received by a consumer on the consumption of an extra unit of a commodity. It implies the addition to the total utility, due to the consumption of one more unit of a good or service
B) Consumer behaviour	ii) Refer to the final user of goods and services to satisfy his/her want. Example, a person or household that buys a final product for use.
C) Marginal utility	iii) Refers to the study that analyzes how consumers make decisions about their wants, needs, purchases, or actions related to a product, service, or organization.

9) What does the "nature of the product" factor refer to in market conditions classification?

(2 marks)

- A) The geographical location of the product's production
- B) The price fluctuations of the product
- C) The time of year when the product is sold
- D) Whether the product is homogeneous, differentiated, or heterogeneous

10) If the government imposes a tax on the total amount produced by a monopolist, which type of tax is it implementing?

(2 marks)

- A) Sur tax
- B) Lump-sum tax
- C) Ad valorem tax
- D) Specific tax

11) Match the following Banking documents to their Description.

(4 marks)

Bank document	Description
A) Deposit slip	i) This is the information exchanged between two banks associated with a given transaction
B) Money transfer slip	ii) A document received from the bank guaranteeing that the buyer's payment to a seller will be paid as promised by the purchaser.
C) Letter of credit	iii) The banking document that is used by the account holder use while putting money in their accounts.
D) Bank Pre-Advice Bank Guarantee	iv) This is a form filled by the bank account holder requesting the bank to transmit money to another account either from within the same bank or from another bank.

12) Through the below list of firms, show which firms practice price discrimination and give the examples how do those chosen firms practice price discrimination:

(4 marks)

- Airtel-Tigo
- WASAC
- Rwanda foam
- Amahoro Football Stadium

- 13) After identifying the core issues in a conflict, the team agrees on common goals to resolve it. What is the next step that should be taken to ensure successful resolution? **(2 marks)**
- A) Immediately assign blame to the parties involved
 - B) Discuss how to meet those goals, addressing potential barriers and challenges
 - C) Forget about the goals and focus on personal grievances
 - D) End the discussion without a clear plan of action
- 14) Which of the following situations should be prioritized when assessing risk in the workplace? **(2 marks)**
- A) A hazard that causes minimal damage and is rarely encountered
 - B) A hazard that affects only a few workers occasionally
 - C) A hazard that could cause permanent injury or death
 - D) A hazard that does not require immediate action
- 15) State whether each of the following statements is **True** or **False**. **(4 marks)**
- A) Business investment involves spending by private businesses and non-profits on physical capital that is used to produce goods and services.....
 - B) The primary goal of business investment is to reduce operational costs.....
 - C) Business investment is only relevant for large corporations and not for non-profit organizations.....
 - D) Investment appraisal helps businesses assess whether an investment project is worthwhile or not.....

Section B. Choose any three questions (30 marks)

16) Complete the table below.

(10 marks)

Market	Number of buyers	Number of sellers	Nature of product
A. Perfect competition	Many	.....	.....
B. Monopoly	.....	.....	.....
C. Monopolistic competition	.....	Many	.....
D. Oligopoly	.....	.....	.....

17) Assess any five roles of ICT in business in Rwanda.

(10 marks)

18) Suppose that the demand for beans is given by $Q_d = 7500 - 6P$ and the supply of beans is: $Q_s = 3000 + 3P$. Remember Quantity is in Kg and Price is in Frw.

Determine the equilibrium quantity and price and explain the meaning of the result or solution that you will see.

(10 marks)

19) Evaluate any five responsibilities of Rwanda Capital Market Authority **(10 marks)**

Section C. Choose any two questions (30 marks)

20) Given the following information, answer the questions that follow.

Fixed Factor	Variable Factor	TP	AP	MP
700	1	400		
700	2	1400		
700	3	2700		
700	4	4000		
700	5	6000		
700	6	7200		
700	7	7700		
700	8	8000		
700	9	8100		
700	10	8100		
700	11	7100		

- A) Using the above case of input-output ratio, Calculate AP and MP and show the formula to use. **(6 marks)**
- B) Illustrate the relationship between TP, AP and MP and explain those relationships with typical examples of numbers calculated in A. **(9 marks)**

21) The National Examination and Schools Inspection Authority(NESA) as The buyer of communication services for their staff members represented by Director General Dr. Bernard BAHATI, A government agency located at Kimironko, Gasabo, Kigali, Rwanda. Phone:0780000000, Email:info@nesa.gov.rw and Mobile Telephone Network Rwanda (MTN Rwanda) as The supplier of communication services represented by Chief Executive Officer (CEO) Ali MONZER, the Telecommunication Company located at Nyarutarama, Kigali, Rwanda. Phone :0790000000, email:info@mtn.com.

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