



**KIBABII UNIVERSITY**

MAIN CAMPUS

**UNIVERSITY EXAMINATIONS**

**FIRST YEAR**

**SPECIAL/SUPPLEMENTARY EXAMINATIONS**

**FOR THE DIPLOMA  
IN  
CRIMINOLOGY & SOCIAL WORK**

**COURSE CODE: DCR 051**

**COURSE TITLE: ENTREPRENEURSHIP**

**DATE: 1<sup>ST</sup>/FEBRUARY/2021**

**TIME: 8AM - 10AM**

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**INSTRUCTIONS TO CANDIDATES**

Answer question **ONE** (30 marks) and any other **TWO** questions (20 marks each)

TIME: 2 Hours

Kibabii University observes ZERO tolerance to examination  
cheating

### QUESTION ONE (Compulsory)

- a) Richard Wanyama is planning to set up a garbage collection company as a first time business entrepreneur, to be coordinated from the Bungoma Central Business District (CBD). As a youth there are some basic challenges he is likely to face given his lack of experience in running of a business. Briefly, discuss any five [10 marks]
- b) In the course of setting up this business, Richard needs to follow certain basic steps in order to successfully start up the business venture. Explain any five basic steps that Richard would need to consider in his business start-up process [10 marks]
- c) In prudent operation of his business, Richard knows that he has to be accountable for his actions and activities. Briefly explain any four statements of accounts that would enable him to remain both internally and externally accountable to his business [10 marks]

### QUESTION TWO

A business seminar has been organized by Kibabii University whose theme is how to establish a small business in modern society. You have been called upon to deliver a talk on some aspects of how to establish a small business.

- a) In your talk discuss the tips for a successful business start-up in any society [10 marks]
- b) Explain **any five** reasons why one should start a business in an economic depression [10 marks]

### QUESTION THREE

- a) i) Elaborate on the salient requisite of a good business idea [5 marks]
- ii) Explain any Five sources of business and entrepreneurial ideas [5 marks]
- b) The following Trial balance was extracted from the books of Kibabii enterprise on 31/12/2018

DETAILS	DR	CR
Sundry debtors and creditors	1500	7,000
Stock at 1/1/2018	5,000	
Land and Building	10,000	
Cash in hand	1,600	
Cash at bank	4,000	
Wages	3000	
Account interest	200	600
Bad debts	500	
Repairs	300	
Furniture and fixtures	1500	
Telephone	500	
Depreciation	1000	
Rates and taxes	800	
Drawings	2000	

Purchases	10000	
Office equipment	1500	
Salaries	2500	
Plans and machinery	5700	
Capital		25000
Sales		17000
Bills	2000	4000
<b>Total</b>	<b>53600</b>	<b>53600</b>

On 31/12/2017, the stock was valued at ksh 10,000; from the trial balance given prepare a profit and loss account as at 31/12/2018 **[10 marks]**

#### **QUESTION FOUR**

- a) Explain the steps the Kenyan government has taken to promote entrepreneurship **[10 marks]**
- b) Entrepreneurship has been recognized as a major contribution in the achievement in national development. Explain **[10 marks]**

#### **QUESTION FIVE**

- a) Business has been recognized as a major contribution in the achievement of national development. Discuss **[10 marks]**
- b) Active governments in business play a large role in policy debate and issues concerning the business activities and its people. Entrusting a nation to the business and about the social, political, and economic lives of its citizens is a major issue in contemporary business society. Explain **Five** reasons why it has become necessary that the Kenyan government control business activities even in a liberalized economy as of today **[10 marks]**