



(Knowledge for Development)

KIBABII UNIVERSITY
UNIVERSITY EXAMINATIONS
2021/2022 ACADEMIC YEAR
FIRST YEAR FIRST SEMESTER
MAIN EXAMINATION

FOR THE DIPLOMA IN CRIMINOLOGY

COURSE CODE: DCR 05 1

**COURSE TITLE: ENTREPRENEURSHIP, BUSINESS AND
BASIC ACCOUNTING**

DATE: 17/5/2022

TIME: 9-11 am

INSTRUCTIONS TO CANDIDATES

1. ANSWER QUESTION ONE IN SECTION A AND ANY OTHER TWO (2) QUESTIONS IN SECTION B

2. QUESTION **ONE** CARRIES **30** MARKS AND EACH OF THE OTHER TWO QUESTIONS CARRY **20** MARKS EACH.

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

- a) Entrepreneurship and business don't share the same meaning. Identify and explain five differences that exist between the two (10 Marks)
- b) Elaborate on any five accounting concepts accepted internationally (10 Marks)
- c) Business has its own characteristics, describe any five of them. (10 Marks)

QUESTION TWO

- a) For any business to run smoothly, the owner should prepare an appropriate business plan. Write five reasons why you think it is important (10 Marks)
- b) Describe any five objectives of book keeping and accounting (10 Marks)

QUESTION THREE

- a) Assets are the possessions of a business. explain any five ways how they contribute to the growth of an enterprise (10 Marks)
- b) Entrepreneurs are unique, do you agree with this statement? Confirm your answer using five examples (10 Marks)

QUESTION FOUR

- a) For any business to operate without fail, it should have funds. You're required to explain any five factors you may consider for any source to seek funds from. (10Marks)
- b) It is good to borrow but **NOT** over borrow in business. Examine any five consequences of over borrowing with applicable examples (10 Marks)

QUESTION FIVE

The following information was extracted from the books of Makenzi a sole trader for the year ended 30th April 2021

MAKENZI TRIAL BALANCE AS AT 30TH APRIL 2021

PARTICULARS	DR	CR
Capital		75000
Furniture & Fittings	56000	
Opening stock	3600	
Sales		101,400
Purchases	80,000	
General Expenses	1500	
Drawings	6000	
Wages	2500	
Discount allowed	3350	
Returns inwards	4400	
Discount received		1825
Returns outwards		3700
Debtors	42,500	
Rent Received		9800

Creditors		20,000
Cash	11000	
Bank	875	

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Additional information:

Closing stock amounted to 26000

You're required, using the above information prepare:

- a) The Trading Profit and loss Account for the year 30th April 2021
- b) The balance sheet as at 30th April 2021

(10Marks)

(10Marks)