



1st SEM. 2015/2016

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UNIVERSITY OF SWAZILAND

SUPPLEMENTARY EXAMINATION PAPER

PROGRAMME: BSc. in Agricultural & Biosystems Engineering Year 2
BSc. in Agric. Economics and Agribusiness Management Year 2
BSc. In Agri. Education and Extension Year 2
BSc. in Agronomy Year 2
BSc. in Animal Science Year 2
BSc. in Animal Science (Dairy) Year 2
BSc. in Consumer Science Year 2
BSc. In Consumer Science Education Year 2
BSc. in Food Science, Nutrition & Technology Year 2
BSc. in Horticulture Year 2
BSc. in Textile & Apparel Design & Management Year 2

COURSE CODE: AEM 203

TITLE OF PAPER: ENTREPRENEURSHIP

TIME ALLOWED: TWO (2) HOURS

INSTRUCTION: 1. ANSWER ALL QUESTIONS
2. EACH QUESTION CARRIES TWENTY FIVE (25) MARKS

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CHIEF INVIGILATOR**

Question 1

- a. Explain clearly, what is the importance of having a brand as a company. (10 marks)
- b. The business environment is the sum total of all factors and variable that influence the creation, growth and continued existence of the business either positively or negatively, thereby promoting or hindering the achievement of its objectives. It consists of the market, micro and macro environment. Explain clearly how the macro environment influences business environment or operations. Give examples. (15 marks)

Question 2

- a. A company in Matsapha manufacture a number of dairy equipments. A pasteuriser is one of the products that sells for E180/unit. The total fixed expenses related to the machine are E270,000 per month & the total variable expenses involved are E1,008,000. The monthly sales are 8,000 machines.
 - i. Compute the Break-Even Point (BEP) of the company in units. (5 marks)
 - ii. What is the break-even sales? (5 marks)
 - iii. What is the monthly revenue? (5 marks)
- b. Using the above information to determine the unit price, calculate the price for each machine using the Cost-plus Pricing method with a mark-up of 50%. (10 marks)

Question 3

- a. Small business entrepreneurs face unique problems in obtaining finance. Give a short explanation of any three (3) problems that were identified in class? (15 marks)
- b. There are a number of factors that affect what the optimal product mix looks like. Discuss these factors. (10 marks)

Question 4

- a. Describe the similarities between a company and a cooperative. (10 marks)
- b. Fill in the blanks (15 marks)
 - i. Starting a business always involves _____.
 - ii. The _____ for donors' increases as social demands increase, causing many agencies to turn to social entrepreneurship in order to become self-sustainable.
 - iii. An _____ is the place where inputs such as raw materials and other components are processed to produce a product or provide a service.
 - iv. Another word for Inventory is _____.
 - v. Obligated to repay these loans within a year _____.