

UNIVERSITY OF SWAZILAND
INSTITUTE OF POST-GRADUATE STUDIES
M. ED (EDUCATIONAL FOUNDATIONS) I

FINAL EXAMINATION, MAY 2015

TITLE OF PAPER: SMALL-SCALE BUSINESS MANAGEMENT

COURSE CODE: AE 611

TIME ALLOWED: THREE (3) HOURS

WEIGHT: 100 MARKS

INSTRUCTIONS: ANSWER QUESTION 1 AND TWO (2) OTHERS

Requirements: Four (4) double sheets of Journal Paper

Basic, non-programmable calculator may be used

**THIS PAPER MUST NOT BE OPENED UNTIL THE INVIGILATOR HAS GRANTED PERMISSION TO
DO SO**

Question 1 [Compulsory]

- (a) Identify and discuss three (3) contributions made by small and medium enterprises (SMEs) towards growth of the Swazi economy. Do you consider these contributions as adequate and why? [3 x 8 = 24 marks]
- (b) Explain additional support that these small businesses need from the state [16 marks]

[Total marks = 40]

Question 2

Identify and discuss three (3) measures used to determine the size of business firms (i.e. as small-scale, medium-scale, and large-scale) [3 x 10 = 30 marks]

Question 3

Identify and discuss three (3) sources of financing business strategy in Swaziland. Examine the advantages to small business entrepreneur of any two (2) such sources [5 x 6 = 30 marks]

Question 4

Discuss why the government has to regulate business activity in the country? Identify and describe two (2) mechanisms for regulating business activity [30 marks]

Question 5

From the Trial Balance below, you are required to prepare Income Statement of Winker Timber Supplies for the year ended 31 Dec., 2013 and a Statement of Financial Position as at that date:

Trial Balance as at 31 December 2013		
Details	Dr	Cr
Sales		65 000
Inventory (01 Jan., 2013)	3 000	
Purchases	42 600	
Wages & salaries	5 200	
Lighting & heating	1 900	
Rent and rates	2 400	
Commission earned		2 000
Printing & postage	700	
Carriage outwards	1 100	
Office equipment	20 000	
Fixtures & fittings	7 500	
Accounts receivable	12 000	
Accounts payable		9 000
Mortgage Loan		5 000
Drawings	9 000	
Cash at Bank	1 200	
Cash in hand	400	
<u>Capital:</u>		
Cash introduced		26 000
Total	107 000	107 000

Inventory at 31 December 2013 valued at E5 500

Municipal rates due but unpaid amounted to E100

Depreciate the office equipment by 10 per cent p.a.

[30 marks]