



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies
Faculty of Engineering & Technology
Faculty of Applied & Health Sciences

DIPLOMA PROGRAMMES

BEN 2301: BUSINESS PLANNING

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Three printed pages.

QUESTION 1 (Compulsory)

- a) What is a business plan? **(2 marks)**
- b) Who needs a business plan? **(2 marks)**
- c) A business plan is to a business person while a map is to a navigator. Discuss. **(4 marks)**
- d) With relevant examples, discuss the various sources of funds to a business person. **(8 marks)**
- e) Outline the factors to consider when choosing a source of fund for a business. **(3 marks)**
- f) Discuss the various sources of ideas for writing a business plan. **(5 marks)**
- g) Discuss the uses of a business plan. **(6 marks)**

QUESTION 2

- a) Discuss the various forms of a business that an entrepreneur can venture into. **(9 marks)**
- b) With respect to a business of your choice in mind; discuss the business description chapter. **(11 marks)**

QUESTION 3

- a) Explain the role of an operating plan **(10 marks)**
- b) Discuss the components of an operating plan. **(10 marks)**

QUESTION 4

- a) Explain the importance of a marketing plan. **(10 marks)**
- b) List **TWO** benefits of a marketing strategy. **(2 marks)**
- c) Write short notes on the following terms:
 - i) Advertising **(2 marks)**
 - ii) Sales promotion **(2 marks)**
 - iii) Direct marketing **(2 marks)**
 - iv) Personal selling **(2 marks)**

QUESTION 5

a) Define the following terms:

- i) Capital (2 marks)
- ii) Liabilities (2 marks)
- iii) Expenditure (2 marks)
- iv) Debtors (2 marks)
- v) Loan capital (2 marks)

b) The following information was extracted from the books of Agy Enterprises as at 31/12/2013

	Ksh.
Capital	250,000
Loan from bank	50,000
Creditors	10,000
Office machinery	200,000
Stock of goods (closing)	35,000
Debtors	45,000
Cash at bank	30,000

Required:

Balance sheet as at 31/12/2013.

(10 marks)