



NATIONAL OPEN UNIVERSITY OF NIGERIA
91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF ENTREPRENEURIAL STUDIES
2021_1 EXAMINATION

COURSE CODE: ENT809

COURSE UNIT: 2

COURSE TITLE: ADVANCING MANAGING SMALL ENTERPRISES

TIME ALLOWED: 2 (TWO) HOURS

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- Instructions:**
1. Attempt question number One (1) and any other two (2).
 2. Question number 1 is Compulsory and carries 30 marks, While the other questions carry 20 marks each.
 3. Present all your points in coherent and orderly manner

QUESTION 1

Table SALES BUDGET

Ajons Kamal & Co. Ltd. Sales Budget			
	Months		
	JAN	FEB	MARCH
	N	N	N
Beginning cash balance	12,000	13,080	13,944
Add. Cash Collections:			
50% of sales	20,250	22,050	23,850
Collection from debtors	<u>15,000</u>	<u>20,250</u>	<u>22,050</u>
Total Cash receipts	<u>XX</u>	<u>XX</u>	<u>XX</u>
Less: Cash disbursements			
Raw materials purchases	12,300	13,050	13,770
Salaries	1,500	1,500	1,500
Wages	20,340	22,140	23,940
Sales commission	2,025	2,205	2,385
Rent	600	600	600
Miscellaneous	405	441	477
Purchase of equipment	-	1,500	-
Dividends	3,000	-	-
Total Cash disbursement	<u>XX</u>	<u>XX</u>	<u>XX</u>
Cash surplus or deficit	<u>XX</u>	<u>XX</u>	<u>XX</u>
Minimum Cash balance (ending)	<u>12000</u>	<u>12000</u>	<u>12000</u>
Borrowing (repayment)	6,000	-	(3,000)
Interest	-	-	(45)
Cash balance ending	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>

The above table is Ajons Kamal & Co. Ltd. Sales Budget for the months Jan, Feb March 2021. Base on the above table you are to determine the following:

- | | | |
|----------------------------|----------|---------------|
| 1. Total Cash receipts | 7.5marks | |
| 2. Total Cash disbursement | 7.5marks | |
| 3. Cash surplus or deficit | 7.5marks | |
| 4. Cash balance ending | 7.5marks | Total 30MARKS |

QUESTION 2

Iterate five (5) Merits AND Demerits of Budgeting **20MARKS**

QUESTION 3

The sources and uses of funds statements show the new wealth that has become available to a business in the year and how it has been invested in the organization. They can be constructed to highlight changes in the firm's cash position, as they tend to emphasize different aspects of management of finance. **Base on the above statement List and explain the major sources of funds and the uses of funds in small scale business management.** **20MARKS**

QUESTION 4

List and explain controlling function of management acts through phases in sequence. **20MARKS**

QUESTION 5

Highlight ten (10) important element that ought to be incorporated in any comprehensive planning activity set out achieve the desire results for small scale business management. **20MARKS**