

සියලු ම හිමිකම් ඇවිරිණි / முழுப் பதிப்புரிமையுடையது / All Rights Reserved

ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව  
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63 E I, II

අධ්‍යයන පොදු සහතික පත්‍ර (සාමාන්‍ය පෙළ) විභාගය, 2015 දෙසැම්බර්  
 கல்விப் பொதுத் தராதரப் பத்திர (சாதாரண தர)ப் பரீட்சை, 2015 டிசெம்பர்  
 General Certificate of Education (Ord. Level) Examination, December 2015

ව්‍යවසායකත්ව අධ්‍යයනය I, II  
 முயற்சியாண்மைக் கற்கை I, II  
 Entrepreneurship Studies I, II

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 மூன்று மணித்தியாலம்  
 Three hours

### Entrepreneurship Studies I

**Note:** (i) Answer all questions.

(ii) In each of the questions from 1 to 40, pick one of the alternatives (1), (2), (3), (4) which you consider as correct or most appropriate.

(iii) Mark a cross (X) on the number corresponding to your choice in the answer sheet provided.

(iv) Further instructions are given on the back of the answer sheet. Follow them carefully.

- An entrepreneur identifies opportunities for his business through the analysis of
  - internal environment.
  - competitors.
  - suppliers.
  - external environment.
- A characteristic of objectives set by an entrepreneur is
  - accuracy.
  - measurability.
  - low cost.
  - stability.
- Social responsibility of an entrepreneur can be identified in two ways. They are responsibility towards the
  - society and the consumer.
  - investors and the society.
  - consumer and the seller.
  - society and the creditors.
- One of the main environmental trends that an entrepreneur should pay attention to in the present environment is
  - natural disasters.
  - change in the foreign trade policy.
  - increase in the power of customer.
  - political changes.
- Conducting professional educational courses for school leavers can be considered as
  - corporate entrepreneurship.
  - environmental entrepreneurship.
  - social entrepreneurship.
  - creative entrepreneurship.
- One that **cannot** be considered as a benefit of being an entrepreneur is
  - freedom and independency.
  - ability of giving orders.
  - limited liability.
  - ability to be creative.
- In entrepreneurship, high responsibility, time limitation and uncertain future can be considered as
  - environmental factors.
  - challenging factors.
  - production factors.
  - internal factors.
- An employee implements the decisions of the employer while the entrepreneur implements the decisions of
  - consumer.
  - employees.
  - his own.
  - society.
- When entrepreneurship is considered, creation of a good market is
  - a national level benefit.
  - a regional level benefit.
  - a personal level benefit.
  - a social level benefit.
- The main parties who enjoy the rewards of a business started by an entrepreneur are
  - employee, employer, consumer and the society.
  - employee, consumer, producer and the marketeer.
  - consumer, buyer, seller and the employer.
  - employer, society, seller and the supplier.
- Select the set of factors which belongs to the internal business environment.
  - Owners, Cultural environment, Employees
  - Legal environment, Managers, Employees
  - Managers, Community environment, Owners
  - Owners, Managers, Employees

12. If the influences of the internal environment to the business activities are favourable, that is known as  
 (1) a strength. (2) an opportunity.  
 (3) a business motivation. (4) a business competence.
13. In entrepreneurship, uncertainty means  
 (1) less benefits.  
 (2) interest received for the investment is limited.  
 (3) business environment is complex.  
 (4) returns on the investment are not stable.
14. One of the qualitative criteria used to define small businesses is  
 (1) number of employees. (2) value of fixed assets.  
 (3) value of capital invested. (4) management technique used.
15. Providing subsidies for the people who are displaced from natural disasters is an activity of social entrepreneurship. This activity is related to  
 (1) rural level. (2) regional level.  
 (3) national level. (4) urban level.
16. Getting the ideas of all the parties to take a specific solution to a certain problem can be identified as  
 (1) creativity. (2) brainstorming.  
 (3) conceptual thinking. (4) flexibility.
17. An example for electronic-written communication method is  
 (1) e-mail. (2) colour symbols.  
 (3) letters. (4) telephones.
18. Providing instructions regarding sales promotion for business activities can be identified as  
 (1) technical facilities. (2) marketing facilities.  
 (3) infrastructure facilities. (4) advisory facilities.
19. The labour supplied by engineers and accountants to the business is identified as  
 (1) trained labour. (2) untrained labour.  
 (3) intellectual labour. (4) physical labour.
20. By taking the business decisions an entrepreneur performs the role of  
 (1) an owner. (2) a manager. (3) a leader. (4) a producer.
21. A main characteristic of a sole proprietorship is that  
 (1) it is essential to register the business name.  
 (2) it is recognized as a separate person before the law.  
 (3) business activities are controlled by managers.  
 (4) it has an unlimited liability.
22. Bank of Ceylon is a  
 (1) licensed commercial bank. (2) licensed special bank.  
 (3) registered finance company. (4) registered leasing company.
23. Sum totality of all the factors that affect business activities are known as  
 (1) business management environment. (2) business environment.  
 (3) internal business environment. (4) external business environment.
24. An objective of evaluating business opportunities is  
 (1) maximization of rewards. (2) avoidance of the risk.  
 (3) recruitment of employees. (4) obtaining funds to the business.
25. Changing the foreign trade policy by the government to protect local businesses affects businesses through  
 (1) social and cultural environment. (2) economic and community environment.  
 (3) political and legal environment. (4) scientific and technological environment.
26. Profit earned through business activities is  
 (1) an asset. (2) an equity. (3) a liability. (4) an accountability.
27. The net profit earned by a business is calculated by  
 (1) deducting the expenses from other income.  
 (2) adding other income to the gross profit.  
 (3) adding other income to the gross profit and then deducting cost of sales.  
 (4) adding other income to the gross profit and then deducting expenses.

28. A skill that is more important to start and run a business is  
 (1) accounting skill. (2) management skill.  
 (3) controlling skill. (4) entrepreneurial skill.
29. For an entrepreneur who is engaged in home construction, architects are a  
 (1) backward business. (2) substitute business.  
 (3) forward business. (4) essential business.
30. An advantage of registering a business is  
 (1) recruiting employees to the business getting easier.  
 (2) receiving a legal recognition to the business.  
 (3) taking management decisions in the business becoming easy.  
 (4) taking maximum benefits from limited resources in the business.
31. The difference between the price and the cost of a product is  
 (1) profit. (2) contribution. (3) gross profit. (4) cost of sales.
32. Cost of labour is  
 (1) income. (2) profit. (3) salary. (4) turnover.
33. Debtors included in a balance sheet of a business are  
 (1) a non current asset. (2) a current liability.  
 (3) a current asset. (4) a non current liability.
34. The statement that includes assets, equity and liabilities of a business at the end of an accounting period is  
 (1) income statement. (2) balance sheet.  
 (3) cash flow statement. (4) business plan.
35. Paying Rs. 50 000 to the creditors is recorded in the basic accounting equation as  
 (1) Decrease in Assets Rs. 50 000 Decrease in Liabilities Rs. 50 000.  
 (2) Increase in Assets Rs. 50 000 Decrease in Assets Rs. 50 000.  
 (3) Decrease in Liabilities Rs. 50 000 Decrease in Equity Rs. 50 000.  
 (4) Decrease in Assets Rs. 50 000 Increase in Equity Rs. 50 000.
- Read the following case and answer questions No. 36 - 40.
- Sirimali is a talented lady. Realising the dream she had to start a business, she established a ladies garments business named 'Ran Salu'. Since she always provided high quality new designs to the market at a reasonable price, the demand for her products increased day by day. Today, she is very happy about the success of her business.
36. Which entrepreneurial characteristics does Sirimali show by providing new designs to the market?  
 (1) market analysis and innovation (2) dedication and leadership  
 (3) market analysis and risk bearing (4) creativity and innovation
37. When considering entrepreneurship, being a woman entrepreneur for Sirimali is  
 (1) a strength. (2) a weakness.  
 (3) an opportunity. (4) a challenge.
38. "Today she is very happy about the success of her business." In entrepreneurship, this is  
 (1) a financial reward. (2) a mental satisfaction reward.  
 (3) a social reward. (4) an economic reward.
39. The basis of market segmentation that Sirimali has used is  
 (1) gender. (2) age structure.  
 (3) social background. (4) income.
40. Selling high quality garments at a reasonable price by Sirimali can be considered as  
 (1) a business rule. (2) a business ethic.  
 (3) a business objective. (4) a business vision.

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ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව ශ්‍රී ලංකා විභාග දෙපාර්තමේන්තුව  
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 63 E I, II  
 இலங்கைப் பரීட்சைத் திணைக்களம்  
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අධ්‍යයන පොදු සහතික පත්‍ර (සාමාන්‍ය පෙළ) විභාගය, 2015 දෙසැම්බර්  
 கல்விப் பொதுத் தராதரப் பத்திர (சாதாரண தர)ப் பரீட்சை, 2015 டிசெம்பர்  
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 முயற்சியாண்மைக் கற்கை I, II  
 Entrepreneurship Studies I, II

### Entrepreneurship Studies II

\* Answer five questions including question No. 1.

1. Read the following case carefully and answer the questions (i) to (x).

Even though Sirimal strongly felt the need of a job after finishing school education, his intention was to do good to himself and to the society by starting his own business. But the starting period of Sirimal's business was very tough. Sirimal strongly felt the difficulties of getting required raw materials and finding the areas where those resources are available, paying a high price when obtaining resources and introducing his products to the market. Difficulty of transporting goods and lack of money etc. further embarrassed Sirimal. He had to suffer even losses at the beginning. Sirimal remained steady even though he encountered many obstacles. He considered those obstacles as challenges and tried to find strategies to overcome them day by day. Since the initial invested capital was not adequate, Sirimal thought that he should somehow invest more money to the business. As a result he obtained a bank loan from Development Bank and invested it in the business. Since he introduced neatly-finished creative products to the market, the demand for the products increased daily. Sirimal reinvested the profit he earned from his sales in the business.

Meantime in order to improve the entrepreneurial knowledge, Sirimal participated in a training program on entrepreneurship development. The opinion of Sirimal at the end of that program was as follows. An entrepreneur should know many things for running a business successfully. Further, it is very important to have a good understanding regarding the business, its income and expenses and the profits and costs. At the same time knowledge on doing the production to suit present requirements and running a business in the competitive market too is very crucial.

- As given in the case, what is Sirimal's main objective of starting his own business?
- Give **two** entrepreneurial characteristics that can be seen in Sirimal as an entrepreneur.
- State **two** challenges faced by Sirimal when doing the business.
- Give **two** factors an entrepreneur should know in order to make a business successful.
- Give **two** sources of finance of a business.

● Some of the transactions recorded in his books at the end of first year are as follows:

	Rs.
Money invested by Sirimal	100 000
Loan obtained from the Development Bank	200 000
Purchase of Raw materials	100 000
Salaries paid	50 000
Other expenses	72 000
Sales	325 000

- How much is the initial capital of Sirimal's business?
- State how the loan obtained from the bank is recorded in the basic accounting equation.
- Give the cash balance of Sirimal's business at the end of first year.
- State a prime entry book relating to the transactions of Sirimal's business.
- Calculate the profit of Sirimal at the end of first year.

(02 × 10 = 20 marks)



2. (i) Explain 'entrepreneur' in your own words.  
(ii) Give **two** rewards and **two** costs of entrepreneurship separately.  
(iii) Mention **two** challenges that affect entrepreneurship development.  
(iv) Give **two** skills that should be possessed by an entrepreneur.  
(v) Give **two** institutions that provide facilities for the development of entrepreneurship. (02 × 5 = 10 marks)
3. (i) Why a good vision on business is important to an entrepreneur?  
(ii) Give **two** social entrepreneurial activities that are performed at the rural level.  
(iii) State **two** factors that differentiate an entrepreneur from a manager.  
(iv) State **two** benefits of a business plan.  
(v) Give **two** reasons for the significance of the human resource to an organization when compared to other resources. (02 × 5 = 10 marks)
4. (i) Briefly explain the term, 'external business environment'.  
(ii) Give **two** benefits gained by the economy when women enter entrepreneurship.  
(iii) Give **two** challenges that affect the development of women entrepreneurship.  
(iv) State **four** characteristics that can be seen in small-scale businesses.  
(v) State **two** factors that are considered when selecting a distribution channel. (02 × 5 = 10 marks)
5. (i) Mention **two** promotional techniques that can be used to motivate the consumer.  
(ii) Give **two** benefits to an entrepreneur by selecting a target consumer group.  
(iii) Sarangi conducts a business that sells ladies foot wear. State **four** demographic (population evolution) factors she can use to segment the market for her product.  
(iv) Give **two** factors that are considered when deciding the price of a product.  
(v) State **two** factors that decide the consumer behaviour. (02 × 5 = 10 marks)
6. (i) What is meant by 'Working Capital'?  
(ii) State the different types of agents that can be seen in trade activities.  
(iii) 50 watches were purchased from Anura under the invoice 551 at Rs. 1 000 per watch. What is the source document that is related to this transaction?  
(iv) Give the prime entry book relating to the transaction given in part (iii) above.  
(v) Give **two** benefits of source documents. (02 × 5 = 10 marks)
7. Some of the balances of Sankalana business as at 01.01.2015 are given below.

	Rs.
Stock	60 000
Cash	50 000
Capital	320 000
Motor Vehicles	200 000
Debtors	10 000

Transactions that occurred during the month of January are as follows:

	Rs.
Electricity	35 000
Purchases	105 000
Sales	250 000
Employee salaries	40 000
Bank loan	100 000
Loan interest payment	1 500
Other income	85 000
Closing stock (as at 31.01.2015)	75 000

**Required:**

- (i) Cash balance of Sankalana business as at 31.01.2015. (05 marks)  
(ii) The Income Statement of Sankalana business for the month ended 31.01.2015. (05 marks)  
(Total 10 marks)