



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA**  
**FACULTY OF MANAGEMENT SCIENCES**  
**2023\_2 EXAMINATIONS.....**

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**COURSE CODE: ENT 705**

**CREDIT UNIT: 2**

**COURSE TITLE: ENTREPRENEURIAL FINANCING**

**TIME ALLOWED: 3 HOURS**

**INSTRUCTIONS:**

- 1. Indicate your Matriculation Number clearly**
- 2. Attempt Question one (1) and any other two (2) questions in all**
- 3. Question one (1) is compulsory and attracts 30 marks, while the other questions carry 20 Marks each with Total of 70 Marks**
- 4. Present all your points in coherent and orderly Manner**

**QUESTION 1: A.** Lack of access to adequate Funding of business enterprise in Nigeria has been a major setback toward the attainment of full potentials of entrepreneurs. Sources of funds available to entrepreneurs can be divided into two broad categories: short-term funds and long-term funds. Short-term funds are used to finance supplies, payrolls, and are obtained for one year or less. Long-term funds are used to purchase buildings, land, long-lived machinery, and equipment. Good financial management requires that a funding source be matched to the intended use of the funds. As such, describe the various types of funds under short-term category. *[20 Marks]*

**B.** The functions of finance include sourcing and application of funds, and demands that money is used in the firm wisely, that is, when and where it is desired. Money sourced, for example, to improve on the production base of a firm should be appropriated wisely. It will be most inappropriate to use such funds to acquire assets unrelated to the course of production. Explain the ultimate aims of finance function. *[10 Marks]*

**QUESTION 2:** Megatrends are large societal, demographic, or technological trends or changes that are slow in forming but, once in place, continue for many years. In contrast, fads are not predictable, have short lives, and do not involve macro changes. Of course, there are many degrees between fads and megatrends that provide entrepreneurs with business opportunities. However, while entrepreneurial opportunities can come from an almost unlimited number of sources, give special focus to the megatrend categories of Entrepreneurial opportunities. *[20 Marks]*

**QUESTION 3:** Intrapreneurs are persons who can turn ideas or vision into profitable realities, but may not be inventors. They are team-builders with commitment to a strong drive to see their ideas become a reality. Intrapreneurs are often described as “dreamers who do” as they tend to be action-oriented. In that case, explain the various dimensions of intrapreneurial behaviour in entrepreneurial management within the large established organizations *[20 Marks]*

**QUESTION 4:** Write short notes on the following concepts

- A. Financial Lease *[5 Marks]*
- B. Financiers *[5 Marks]*
- C. Venture Capital (VC): *[5 Marks]*
- D. Financial Market Depth *[5 Marks]*

**QUESTION 5:** The “organized” stock market can be classified into Primary market/issue (controlled by the Securities and Exchange Commission, SEC; the Secondary market/issue (controlled by the Nigerian Stock Exchange, NSE). The secondary market induces the allocative efficiency in the primary market. There are different methods/ways a firm can raise funds from the capital market but they have to satisfy the listing requirements. Enumerate these listing requirement that must be satisfied before the fund could be raise in the capital market. *[20 Marks]*