**845/2**

**ENTREPRENEURSHIP**

**EDUCATION**

Paper 2

Jul/Aug 2019

2 ½ Hours



**MUKONO EXAMINATION COUNCIL**

**Uganda Certificate of Education**

**ENTREPRENEURSHIP EDUCATION**

Paper 2

2 Hours 30 Minutes

**INSTRUCTIONS TO CANDIDATES**

*Answer* ***four*** *questions in all.*

*Attempt* ***all*** *questions in the spaces provided.*

*Section* ***A*** *is compulsory. Answers to this section should be precise.*

*Answer t****hree*** *questions from section* ***B.***

*Credit will be given for use of relevant diagrams and illustrations.*

*Additional question(s) answered will* ***NOT*** *be marked.*

**SECTION A (40 MARKS)**

1. a) (i) What is meant by environmental degradation? ***(01 mark)***

(ii) Outline any three effects of environmental degradation on business activities.

***(03 marks)***

b) Identify any two;

(i) administrative expenses of a business. ***(02 marks)***

(ii) pre-operating expenses. ***(02 marks)***

c) (i) Give any two forms of visual communication used by an entrepreneur. ***(02 marks)***

(ii) Mention any two barriers to effective communication in business. ***(02 marks)***

d) Mention any four indicators of quality as perceived by customers of a product.

***(04 marks)***

e) (i) State any two characteristics of service businesses. ***(02 marks)***

(ii) Outline any two examples of service businesses in Uganda. ***(02 marks)***

f) (i) Give two ways in which family members can support your business. ***(02 marks)***

(ii) State any two disadvantages of involving family members in your business.

***(02 marks)***

g) (i) What is a “debenture” as used in business. ***(01 mark)***

(ii) Give any three sources of long term finance for a business. ***(03 marks)***

h) Mention any four ways of managing business risks by an entrepreneur. ***(04 marks)***

i) (i) Distinguish between a progressive tax and regressive tax. ***(02 marks)***

(ii) Outline two examples of non-tax revenue collected by Uganda revenue authority.

***(02 marks)***

j) (i) What is meant by the term book keeping as used in business. ***(01 mark)***

(ii) Give any three users of book keeping records. ***(03 marks)***

**SECTION B (60 MARKS)**

1. a) Give any ten types of insurable policies applicable in business. ***(10 marks)***

b) Describe the procedure of taking out an insurance policy. ***(10 marks)***

1. a) Explain six services offered by financial institutions to entrepreneurs in Uganda.

***(12 marks)***

b) State four requirements considered by a financial institution before giving a loan to an

entrepreneur. ***(08 marks)***

1. a) Advise an entrepreneur on any six factors to consider when selecting production

machinery, tools and equipment for the business. ***(12 marks)***

b) Give any four ways of ensuring proper machine handling and safety. ***(08 marks)***

1. a) Explain six decisions made by an entrepreneur in a business. ***(12 marks)***

b) Mention eight problems faced by entrepreneurs in your country. ***(08 marks)***

1. a) Describe any five types of manufacturing businesses carried out by entrepreneurs in

Uganda. ***(10 marks)***

b) How do businesses affect the natural environment in Uganda? ***(10 marks)***

* ***End -***