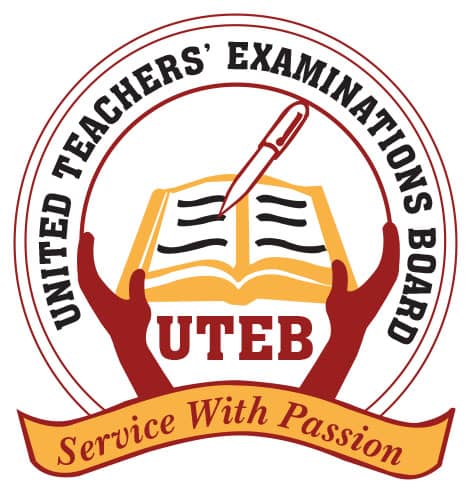
**P230/1**

**Entrepreneurship**

Paper 1

**Jul./Aug.2019`**

3 hrs

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**JOINT MOCK EXAMINATIONS 2019**

ENTREPRENEURSHIP EDUCATION

**Paper One**

3 Hours

**INSTRUCTIONS**

* Answer **five** questions in **all**
* Section **A** is compulsory. Answers to this section should be precise.
* Answer **four** questions from section **B**
* Credit will be given for use of relevant diagrams and illustrations
* Any additional question(s) answered won’t be marked.

**Turn Over**

**SECTION A**

1. a) i) Distinguish between creativity and innovation. **(02 marks)**

ii) Outline any two features of innovative employees in an enterprise.

**(02 marks)**

b) i) Distinguish between risk taking and risk assessment. (**02 marks)**

ii) Mention any two factors influencing risk assessment in an enterprise.

**(02 marks)**

c) State any four indicators of stiff competition in the business sector.

**(04 marks)**

d) i) Distinguish between a tax base and taxable capacity. **(02 marks)** ii) Give any two factors affecting the tax base in your country. **(02 marks)**

e) Study the table below and answer questions that follow. **(02 marks)**

|  |  |
| --- | --- |
| **PARTICULARS** | **AMOUNT (SHS)** |
| Wages given to teachers | 5,000,000 |
| Scholastic materials | 10,000,000 |
| Total direct costs | 17,200,000 |

1. Compute the firm’s direct expenses.  **(02 marks)**
2. Give two examples of the firm’s direct expenses.  **(02 marks)**

**SECTION B**

2 a) Distinguish between entrepreneurial motivation and employee motivation.

**(04 marks)**

b) Examine the factors that affect the level of entrepreneurial motivation in

your community. **(16 marks)**

3 a) Describe the structure of a social enterprise plan.  **(10 marks)**

b) Explain the benefits of social entrepreneurship in your country. **(10 marks)**

4 a) Explain the methods used by entrepreneurs to achieve the set quality

objectives.  **(08 marks)**

b) What is the purpose of quality control in an enterprise?  **(12 marks)**

5 a) Distinguish between debt financing and equity financing.  **(05 marks)** b) Explain the long term sources of business finance. **(16 marks)**

6 a) State four levels of tax compliance. **(04 marks)**

b) Account for the high non-tax compliance in your country. **(16 marks)**

7 a) How do businesses compete in your country? **(08 marks)**

b) Explain the indicators of increased competition in the business sector.

**(12 marks)**

**End**