

845/2  
**ENTREPRENEURSHIP**  
**EDUCATION**  
**Paper 2**  
**2022**  
2 ½ hours



**MATIGO MOCK EXAMINATIONS**  
**Uganda Certificate of Education**  
**ENTREPRENEURSHIP EDUCATION**  
**Paper 2**

2 hours 30 minutes

**INSTRUCTIONS TO CANDIDATES:**

*Answer **four** questions only.*

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

*Answer **three** questions from section **B**.*

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

*Any additional question(s) answered will **not** be marked.*

## SECTION A (40 MARKS)

*Answer all parts of this section.*

1. a i) Define the term **pre- operating expenses** (1 mark)  
ii) Outline any **three** examples of pre-operating expenses (3 marks)
- b i) What is **marketing mix**? (1 mark)  
ii) State any **three** elements of marketing mix. (3 marks)
- c) List any **four** types of accounts held at financial institutions. (4 marks)
- d i) What are **business ethics** ? (1 mark)  
ii) Mention any **three** business ethics that an entrepreneur practices towards a customer. (3 marks)
- e i) Define the term **contract**. (1 mark)  
ii) Mention any **three** essentials of a valid contract. (3 marks)
- f i) Distinguish between a **Partnership business** and a **Joint stock company**. (2 marks)  
ii) Given any **two** advantages of a partnership business (2 marks)
- g) Given the following assets and liabilities of a business.

Land	shs 10,000,000
Furniture	shs 5,000,000
Pre- paid rent	shs 4,000,000
Creditors	shs 3,000,000
3 year loan	shs 6,800,000
Debtors	shs 2,000,000

Calculate the value of the;

  - i) Owner's equity (2 marks)
  - ii) Total current assets (2 marks)
- h i) Distinguish between **indemnity** and **subrogation** as used in Insurance. (2 marks)  
ii) Mention any **two** examples of Insurable risks. (2 marks)

- I i) Distinguish between **savings** and **investment** (2 marks)  
ii) Mention any **two** ways of promoting savings. (2 marks)
- j i) What are **costs**? (1 mark)  
ii) Give any **three** indirect costs that do not vary directly with the level of output of goods and services (3 marks)

### **SECTION B (60 MARKS)**

*Answer any **three** questions in this section.*

2. a) Explain the challenges faced by manufacturing businesses in your country. (10 marks)  
b) How can a modern entrepreneur overcome such challenges? (10 marks)
3. a) Explain the various functions of the Central bank. (10 marks)  
b) Describe the various tools used by the central bank to control the amount of money in circulation. (10 marks)
4. a) What are the indicators of success in business? (10 marks)  
b) Explain the various factors that lead to success in business. (10 marks)
5. a) Discuss the importance of transport in planning for a business. (10 marks)  
b) Explain the factors that an entrepreneur may consider when choosing the mode of transport to use in business. (10 marks)
6. a) Explain the steps involved in personal selling. (12 marks)  
b) What is the importance of advertising? (8 marks)

**END**