

**845/2  
ENTREPRENEURSHIP  
EDUCATION  
PAPER  
JULY/AUGUST  
2 ½ HOURS**



## **ELITE EXAMINATION BUREAU MOCK 2019**

**Uganda Certificate of Education**

### **ENTREPRENEURSHIP EDUCATION PAPER 2**

**2 HOURS 30 MINUTES**

#### **INSTRUCTIONS TO CANDIDATES:**

- *Answer only four questions.*
- *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)

1.
  - a)
    - i) Define the term price. (1 mark)
    - ii) Give any three methods of pricing products. (3 marks)
  - b)
    - i) Distinguish between a current account and savings account. (2 marks)
    - ii) State any two features of a current account. (2 marks)
  - c)
    - i) Distinguish between a trial balance and a balance sheet. (2 marks)
    - ii) Mention any two uses of a trial balance in a business. (2 marks)
  - d)
    - i) What is meant by the term depreciation? (1 mark)
    - ii) Given that an asset has a cost value of Uganda Shs 200,000 and is depreciated at a rate of 10% per annum, using the reducing balance method, calculate the book value of the asset in the third year.
  - e)
    - i) Define the term risk. (1 mark)
    - ii) Mention any three factors that should be considered when assessing risks. (3 marks)
  - f)
    - i) Distinguish between saving and investment. (2 marks)
    - ii) Suggest any two ways of promoting savings in your country. (2 marks)
  - g) Differentiate between the following.
    - i) An interest and a profit. (2 marks)
    - ii) A wage and a salary. (2 marks)
  - h) Give any four advantages of using an imprest system of book keeping. (4 marks)
  - i)
    - i) What is a budget as a management tool? (1 mark)
    - ii) Give three uses of a cash budget to an entrepreneur. (3 marks)
  - j) Mention any two uses of a business plan to;
    - i) An entrepreneur (2 marks)
    - ii) Employees of the business. (2 marks)

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

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

2.    a)    What are the causes of unemployment in Uganda?                      (10 marks)  
      b)    Suggest ten ways of reducing the unemployment problem in Uganda.                      (10 marks)
3.    a)    Describe the source documents used in business.                      (10 marks)  
      b)    Explain the importance of book keeping to an entrepreneur. (10 marks)
4.    a)    Describe the various types of business taxes in your country.(10 marks)  
      b)    Why is it important for the government to impose taxes to businesses?                      (10 marks)
5.    a)    Explain the essentials of a valid contract.                      (10 marks)  
      b)    Under what circumstances may a contract be terminated?                      (10 marks)
6.    a)    Explain the importance of communication in business operations.                      (12 marks)  
      b)    What are the barriers to effective communication?                      (8 marks)

**END**