



UGANDA CERTIFICATE OF EDUCATION
UGANDA NATIONAL EXAMINATION BOARD
ENTERPRENUERSHIP
PAPER 2 2008

SECTION A: (40 marks)

1. a) (I) Define the term “income”.
- (ii) Name any three sources of income in your country.
- b)(i) What is meant by depreciation?
- (ii) Given that an asset has a cost value of Uganda shs100, 000 and is depreciating at a rate 5% per annum; using the reducing balance method, calculate the value of the asset in the third year.
- c)(i) Define the term “market assessment”.
- (ii) Give any three factors to consider when conducting market assessment.
- d) Mention any four advantages of packaging a commodity.
- e) (i) What is meant by pre-operating expenses?
- (ii) State any three pre-operating expenses of a business.
- f)(i) Distinguish between a development bank and a merchant bank.
- (ii) Give any two services offered by financial institutions to business in your country.

g)(i) What is meant by a financial plan?

(ii) Mention any three factors that should be considered when preparing financial policies of insurance.

h)(i) Difference between workman's compensation and loss of profits policies of insurance.

(ii) State any two principle of insurance.

i)(i) is a petty cash book?

(ii) Give any three advantages of using a petty cash book.

j)(i) What is meant by a trial balance?

(ii) Mention any three errors which do not affect totals of trial balance.

SECTION B: (60 marks)

2. a) What is the importance of transport to a business?

b) Explain the factors to consider when choosing a mode of transport.

3. a) Describe the activities carried out by an entrepreneur when marketing a product.

b) What are qualities of good sales person?

4. a) Distinguish between a limited liability company and a partnership.

b) Explain the advantages and disadvantages of a partnership.

5. a) Describe the different business laws in your country.

b) Explain the importance of business laws in your country.

6. a) Explain the essentials of a valid contract.

b) Under what circumstances may a contract be terminated?

END