



THE MOMBASA POLYTECHNIC UNIVERSITY COLLEGE

Faculty of Business & Social Studies

DEPARTMENT OF LIBERAL STUDIES, COMMUNITY DEVELOPMENT &
COUNSELING

DIPLOMA IN COMMUNITY DEVELOPMENT & COUNSELLING

(DCDC A09)

ENTREPRENEURSHIP EDUCATION

YEAR I SEMESTER 2

END SEMESTER EXAMS

SERIES: APRIL/MAY 2010.

TIME: 2½ HOURS

INSTRUCTIONS TO CANDIDATES

1. This paper consists of **TWO** sections; **A** and **B**.
2. Answer ONE question in Section **A**.
3. Answer any **TWO** questions from Section **B**.
4. Observe examination rules.

SECTION A

(Answer **ONE** question from this section)

Q.1 (a) Match the following:

- | | | |
|---------------------------|----|-------------------------------------------------------------------------------------------------------------------|
| (A) Self confidence | 1. | - Innovative, Creative
- flexible, resourceful |
| (B) Originality | 2. | - Needs for achievement
- Profit oriented
- Persistence, perseverance
- drive & energy
- Initiative |
| (C) Risk Taker | 3. | - Confidence
- Independence
- Individually
- Optimism |
| (D) Task-results oriented | 4. | - Knowledgeable
- Foresight
- Perceptive |
| (E) Leadership | 5. | - Risk taking ability
- Likes challenges |
| (F) Future-oriented | 6. | - Leadership behavior
- Gets along well with others
- Perspective to suggestions
- Criticisms. (6 marks) |

(b) What are the factors to consider in selecting type of Business finance.

(3 marks)

- (c) Site the **FOUR** impacts of technology to the Kenyan economy. (4 marks)
- (d) Name and explain **SIX** sources of technology. (6 marks)
- (e) What are the elements of a business plan? (8 marks)
- (f) What do lenders, like borrowers look for in making long-term loans? (3 marks)

SECTION B

- Q.2 (a) Discuss the three groupings of costs and expenses when determining your money needs for your new business? (10 marks)
- (b) What limitations and Restrictions does the lender set on the borrower?
- Q.3 Sometimes your signature is the only security the bank needs when making a loan. At other times, the bank requires additional assurance that the money will be repaid. Discuss the many types of COLLATERAL available to an entrepreneur? (20 marks)
- Q.4 Discuss the sources of Business finance under the following headings.
- (i) Equity financing. (6 marks)
 - (ii) Borrowing from lending institutions. (14 marks)
- Q.5 (a) What are the characteristics of appropriate technology? (12 marks)
- (b) Discuss the types of technology under the following heading.
- (i) considering when it was developed?
 - (ii) considering the simplicity? (8 marks)