BACHELOR OF BUSINESS LEADERSHIP

END OF SEMESTER EXAMINATION

BUE 3313: SMALL BUSINESS FINANCE

AUGUST 2021

ONLINE CLASS

Instructions

- **i) This exam paper contains SIX questions containing 10 marks each.**
- **ii) Answer Question 1 (COMPULSORY) and any other THREE questions**
- **iii) Read each question carefully before attempting.**

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QUESTION ONE

a) Describe the meaning of a small business. (2 marks)

b) Discuss TWO basic considerations in selecting a business idea. (2 marks)

c) Discuss TWO factors used for business classification. (2 marks)

d) Explain TWO major causes of small business failure. (2 marks)

e) Outline TWO forms of feasibility study for starting a business. (2 marks)

QUESTION TWO

a) Describe bootstrapping as a financing method in small business. (2 marks)

b) Explain FOUR ways managers of small business do to bring success to their organizations. (8 marks)

QUESTION THREE

(a) Giving an example in each, differentiate between equity and debt financing. (2 marks)

(b) Business failure is measured by a firm's cessation of operations. Discuss FOUR situations that may lead to cessation of operations. (8 marks)

QUESTION FOUR

a) Explain TWO players in the near macroenvironment of a business. (2 marks)

b) Discuss EIGHT reasons why we need management in business enterprise. (8 marks)

QUESTION FIVE

(a) Explain FOUR uses of an organization chart in business. (4 marks)

(b) Discuss SIX characteristics of business objectives. (6 marks)

QUESTION SIX

(a) Discuss FIVE sources of finance for business enterprises. (5 marks)

(b) Explain FIVE other cost-effective things small business management could do as a way of financing. (5 marks)