*P230/1*

*Entrepreneurship*

*Education*

*Paper I*

*December 2020*

*3 hours*

**RESOURCE EXAMINATION**

**UGANDA ADVANCED CERTIFICATE OF EDUCATION**

**ENTREPRENEURSHIP EDUCATION**

**PAPER ONE (P230/1)**

Time: 3 hours

**INSTRUCTIONS TO CANDIDATES**

* This paper consists of two sections A and B
* Answer five questions in all
* Section A is compulsory. Answers to this section must be precise.
* Answer four questions from section B.
* Extra questions answered will not be marked.

**SECTION A (20) MARKS**

**Answer all questions in this section.**

1 (a) (i) Distinguish between branding and personal branding. (02marks)

(ii) List any two principles of personal branding. (02marks)

(b) (i) What is meant by the term entrepreneurial environment? (01mark)

(ii) Outline any three salient features of entrepreneurial environment. (03marks)

(b) State any four types of business opportunities that potential entrepreneurs are exposed to.

(04 marks)

(d) State any two;

(i) Determinants of sales of a business (02marks)

(ii) Factors considered by entrepreneurs in choosing sales promotion strategies.

(02marks)

e (i) Differentiate between equity financing and debt financing. (02marks)

(ii) Give any two instruments that can be used for deb financing (02 marks)

**SECTION B**

*Answer any four questions from this section.*

2 a) Examine the social-cultural factors that limit entrepreneurial intensions. (10marks)

b) What are the social responsibilities of a business to the community? (10marks)

3a) Why is it necessary for social entrepreneurs to prepare a social enterprise plan?

(10marks)

b) Examine the effects of climate change to the natural environment. (10marks)

4a) Explain the factors that affect women participation in entrepreneurial activities. (4marks)

b) What measures can be taken to promote gender partnership in business enterprises.

(06marks)

5a) Under what circumstances may an entrepreneur train his workers. (10marks)

b) Analyse the procedure involved in the training of employees in a business. (10marks)

6a) Of what importance is proper time management to an entrepreneur? (10marks)

b) Describe the controls use by successful entrepreneurs to ensure proper time management.

7a) Account for the popularity of direct taxes over indirect taxes. (12 marks)

b) What challenges are being faced by tax authorities in Uganda? (08marks)

END

*P230/2*

*Entrepreneurship*

*Education*

*Paper 2*

*December 2020*

*3 hours*

**RESOURCE EXAMINATION**

**UGANDA ADVANCED CERTIFICATE OF EDUCATION**

**ENTREPRENEURSHIP EDUCATION**

**PAPER TWO (P230/2)**

**INSTRUCTIONS TO CANDIDATES.**

* Attempt any **FOUR** questions in this paper.
* All questions carry equal marks
* Credit will be given for relevant diagrams and illustrations.
* Any additional question answered will not be marked.

1. **You are in the process of expanding your agricultural produce store. You have received a loan of shs. 60,000,000 from Centenary bank payable in five equal monthly installments at an interest rate of 10% on reducing balance to boost marketing and production activities.**
2. Prepare a loan amortization schedule to be used when paying back the loan. (7marks)
3. Draw a financial plan for business expansion. (8marks)
4. Formulate guidelines for developing an effective marketing strategy. (05marks)
5. Write a bid notice for the supply of beans to the store. (05marks)
6. **Your restaurant has started to experience declining sales. You have just completed the market research exercise aimed at improving performance**.
7. Perform a root cause analysis for the decline in sales. (06marks)
8. Develop a job advert for a chef for your restaurant. (07marks)
9. Write any policy guidelines followed to monitor business operations. (06marks)
10. Write a purchase order for the required inputs for your restaurant. (06marks)
11. You are provided with the following information extracted from the books of Glorious Enterprises at the end of their trading period on 30/06/2020.

|  |  |
| --- | --- |
| Details | Shs |
| Stock (1/7/2019) | 5,000,000 |
| Stock (30/06/2020) | 4,000,000 |
| Total overheads | 2,000,000 |
| Cash in hand | 1,200,000 |
| Bank balance (cr) | 1,300,000 |
| Outstanding insurance | 1,000,000 |
| Total fixed assets | 8,000,000 |
| Debtors | 1,500,000 |
| Creditors | 3,000,000 |
| Margin | 39.25% |
| Turnover | 20,000,000 |
| Rate of turnover | 2.7 times |

Required;

1. Calculate the value of
2. Cost of sales 03marks
3. Goods available for sale 03marks
4. Net profit 02marks
5. Capital employed 03marks
6. Compute and interpret
7. Rate of return on current assets 03marks
8. Cash position ratio 03marks
9. Average credit period 04marks
10. Working capital turnover 04marks
11. **You have received funds worth 50 million from your relatives and you wish to give back to your community by setting up a social enterprise to address the problem of unemployment and poverty.**
12. Point out the elements of the enterprise mapping tool you are to use. (06marks)
13. Using the GEPIC approach, address the community members about your planned project. (07marks)
14. Propose guidelines for ensuring sustainability of your social enterprise. (05marks)
15. Write the theory of change for the social enterprise project. (07marks)
16. The following projections relate to simple traders for the months of May, June, July, and August 2020.
17. Cash in hand shs 50,000,000 and cash at bank shs (80,000,000)
18. The business expects to sell goods every month worth shs. 60,000,000 and receive 75% in the month of sale and the balance in the next month for all sales less 10% discount.
19. Monthly salary was projected at shs. 200,000 each employee for 42 workers.
20. The business hopes to get a loan of shs 20,000,000 in the first month. The loan principal is to be effected in equal installments within four months starting with the month of acquisition.
21. Interest on loan is projected at 5% monthly payable on reducing balance method.
22. Monthly cash sales and purchases were estimated at shs. 10,000,000 and 12,000,000 respectively.
23. The business expected a donation of shs 80,000,000 in the second month but his were to increase by 10% monthly.
24. The owner is to withdraw goods to the tune of shs 1,000,000 every month.
25. The business planned to buy a vehicle in cash at shs. 63,000,000 in the first month. This is to depreciate at a rate of 10% per annum.
26. The business was to install machinery worth 48,000,000 in the first month and was to pay cash deposit of 50%. The balance is to be cleared in installments in the ratio 3/6: ¼: 25% in the following months.
27. Credit purchases are expected to be 60% of the total monthly sales. The business has a policy of paying 80% in the month of purchase and the balance in the next month for all purchases less 5% discount
28. The monthly commission income was shs 1,000,000 however it is expected to increase by 20% after the first 2 months.
29. A corporation tax of 30% is to be paid on each month’s total sales.
30. Any cash shortfall is to be financed with a debenture at the beginning of the next month at an interest of 10% payable after the four months.

**Required**

1. Prepare Simple Traders **CASH BUDGET** for the months of May June, July and August 2018. (16marks)
2. Comment on the net cash position of Simple traders (04marks)
3. Of what importance is a cash budget to simple traders? (05marks)
4. **Your furniture workshop has advertised and invited the general public to buy shares from its business in order to raise its equity capital**.
5. Write the contents of the prospectus to be placed in the newspapers. (06marks)
6. Prepare a production plan for the workshop. (07marks)
7. Draw a programme for determining the profitability of the business. (07marks)
8. Design a work order form for business use. (05marks)

END

P230/3

Entrepreneurship

Education

Paper 3

December 2020

3 hours

**RESOURCE EXAMINATION**

**UGANDA ADVANCED CERTIFICATE OF EDUCATION**

**ENTREPRENEURSHIP EDUCATION**

**PAPER THREE (P230/3)**

Time: 3 hours

**INSTRUCTIONS TO CANDIDATES**

* This paper consists of two sections A, B and C
* Answer four questions only. All questions carry equal marks.
* Section A is compulsory. Answer any three questions from section B and C, choosing at least one question from each section.
* Credit will be given for use of relevant diagrams and illustrations.
* Any additional question (s) answered will not be marked.

**SECTION A**

(CASE STUDY)

***Attempt all parts of this section***

1. Read the case study below and answer the questions that follow.

Mr. Musege who grew up as an orphan with his uncle, was lucky to be born in a village where people are less conservative and are proud about entrepreneurship as a career. Believing in Islamic faith promoted his entrepreneurial spirit to engage in business as a teenager when he developed his business idea of being a local mobile phone maker. When Musege dropped out of school in Senior Four after losing both parents, he never gave up life but became keen when helping his caretaker uncle who was a phone repairer.

To avoid disappearance and/or theft of his business idea, Musege thought of ways of protecting it. He planned carefully and solicited for donations from some of his sympathetic relatives and friends. However the funds realized were insufficient to kick-start the project. Inspired by advice from people in mobile phone business he resorted to extensive business negotiations for trade credit. He took up an insurance policy to safeguard his business against risks.

In the first year of production, Musege offered free phones to government officials and attended trade shows and exhibitions. He took responsibility for personal selling and offering trade stamps. He later introduced telemarketing, sponsoring local tournaments and organizing competitions where he gave out prizes.

Today Musege is one of the highly recognized business tycoons living in a humble and successful life. He is widely considered as a role model to many upcoming entrepreneurs.

**Questions**

1. Advise Musege about keys to successful negotiation. (04marks)
2. What social-cultural factors influenced entrepreneurial attitudes and opportunity identification of Musege? (04marks)
3. What ways might Musege have used to protect the business idea? (04marks)
4. Describe the steps he might have followed when taking up an insurance policy for his business. (05marks)
5. What is the likely justification for Musege to rely on trade credit? (03marks)
6. How does Musege promote sales in the enterprise? (05marks)

**SECTION B**

**SCHOOL BUSINESS CLUBS**

1. For any business enterprise started and managed by your school business club,
2. Describe the enterprise. (05marks)
3. Explain the factors that affected stock levels in your enterprise. (05marks)
4. What tools did your members use for carrying out marketing effectively? (06marks)
5. Justify the view that your enterprise was a micro enterprise. (05marks)
6. How did the club executive members maintain good relations with other club members? (04marks)
7. In relation to the school business project carried out by your entrepreneurship club
8. (i) State the name and nature of the business (02marks)

(ii) Outline two core values for your project. (02marks)

1. Describe the steps you followed when starting your business. (06marks)
2. What factors did you consider when purchasing raw materials? (06marks)
3. Describe the techniques you used to make your products unique in the market.

(05marks)

1. Explain the financial management activities carried out in your enterprise. (04marks)

**SECTION C**

**FIELD ATTACHMENT AND FIELD TRIP**

1. With regard to any business enterprise you were attached to;
2. Present an executive summary for the enterprise. (05marks)
3. Point out the duties and responsibilities you were assigned while on field attachment.

(04marks)

1. Explain the functions of the entrepreneur in managing the business. (05marks)
2. What factors did the entrepreneur consider when determining the working capital requirements of a business? (06marks)
3. Describe the marketing mix of the business you were attached to. (05marks)
4. For any field trip you made either as an individual or a group;
5. (i) Point out the purpose of the field trip. (03marks)

(ii) Describe the nature of the enterprise (03marks)

(iii) Design the physical layout of the enterprise. (03marks)

1. How does the business ensure proper inventory management? (04marks)
2. Explain the mechanism the enterprise use for controlling physical assets. (05marks)
3. What pricing strategies does the business use? (04marks)
4. How does the business motivate its workers? (03marks)

**END**