**ENTREPRENEURSHIP PAPER 2**

1. a) The arrival book designed should include

* Business name and address
* Document identity i.e ‘Arrival book’
* Item/serial number
* Name of the staff member
* Time of arrival
* Time of departure
* Signatures of the staff
* Frame
* Page number

b) One-week programmes for in-service training of staff should be as below;

BUSINESS NAME

P.O BOX ……….,………….

ONE-WEEK PROGRAMME FOR IN-SERVICE TRAINING OF STAFF.

|  |  |  |  |
| --- | --- | --- | --- |
| DAY | ACTIVITY | PERSON IN CHARGE | REMARKS |
|  | * Establishing organisation goals and objectives. * Identifying training needs * Selecting training objectives * Selecting the trainees * Selecting training methods * Selecting trainers * Administering the training * Evaluating the training |  |  |

DRAWN BY APPROVED BY

SIGN:……………………….. SIGN: ……………………………

NAME: ……………………… NAME:…………………………..

TITLE: ……………………….. TITLE:………………………….

Any 12 x ½ = 06mks

N.B All the columns must be filled except for remarks

c) Code of conduct formulated for the staff to observe should include;

* Heading i.e Business name and address plus the statement “code of conduct for the staff to observe”

Content of code of conduct covers ;

* Working days
* Fraud
* Keeping of confidential information
* Conflict of interest
* Signing of arrival book
* Ethical standards e.g towards clients and management
* Dress code
* Arrival and departure time
* Handling of business property
* Unbecoming behaviors e.g drug abuse, smoking, using alcoholic drinks
* Signing of the code of conduct.

N.B Use “SHALL” but do not personalize.

d) Job analysis prepared for the post of human resource managers should have;

* Heading i.e business name and address plus “job analysis”
* Job title/post
* Job number
* Duties and responsibilities
* Job location
* Reporting line/supervision
* Terms and conditions of the job
* Materials and equipments used in the job
* How the job is performed
* Working experience
* Academic qualification
* Special abilities required
* Time for performing the job

2. a) Description of the GEPIC structure for advocacy

* Greet – ask the others party questions like “how are you”
* Engage – get the audience’s attention
* Problem/opportunity – express the problem in detail
* Inform – explain your perspective in the opportunity
* Call to action – call the audience to take action.

b) Programme drawn for becoming a social entrepreneur should be as below;

BUSINESS NAME

P.O BOX

PROGRAMME FOR BECOMING A SOCIAL ENTREPRENEUR

|  |  |  |  |
| --- | --- | --- | --- |
| DATE | ACTIVITY | PERSON IN CHARGE | REMARKS |
|  | * Discovering your vision, passion and skills * Identifying opportunities in community for social impact creation * Matching vision with community opportunities identified * Acting upon the opportunities identified and spreading change. |  |  |

DRAWN BY APPROVED BY

SIGN:……………………….. SIGN: ……………………………

NAME: ……………………… NAME:…………………………..

TITLE: ……………………….. TITLE:………………………….

Any 10x ½ = 05mks

N.B All the columns must be filled except for remarks

d) The client information form designed should have

* Business name and address
* Document identity i.e client information form
* Document number
* Personal details of the client e.g age, sex, occupation, etc
* Physical and postal address of the client
* Identification document number
* Details of the clients business (if any)
* Contact persons – personal details
* Relationship
* Address
* Date of filling the form
* Signature of the client
* Part for official use
* Frame

c) The company profile prepared should include;

* Heading i.e business name and address plus the words “company profile”
* Business contacts
* Business location
* Background information
* Vision
* Mission
* Goals
* Core values
* Good/service offered
* Appealing words/phrases/motto
* Profile of important personnel
* Uniqueness of the business
* Contracts already completed
* Promotional offers in place
* Future prospects
* Relevant pictorial illustrations.

3.a) Debtor’s payment voucher designed should have;

* Business name and address
* Document identity/name
* Document number
* Client’s name
* Account number
* Total amount
* Amount due
* Balance due
* Signature of client
* Signature of cashier
* Frame

Any 10 x ½ = 05mks

b) Credit status inquiry prepared should have;

* Business name and address
* Date of visiting
* Reference
* Inside address of receiver
* Salutation i.e Dear Sir/Madam
* Subject line i.e RE:….
* Body to include
* Purpose
* How much credit is needed
* Confidentiality of information
* Date of expecting the reply
* Concluding/complementary part
* C.C.
* Enc/attach

c) One-day distribution schedule dream should have

* Heading i.e business name and address plus the words “one-day distribution schedule for products”
* Columns for;
* Time
* Product
* Quantity
* Place/venue/market/customer
* Person in charge
* Remarks
* Drawn by (must be filled)
* Approved by (must be filled)

d) Terms and conditions to be included in the hire purchase agreement

* Heading i.e Business name and address plus the words ‘Terms & conditions to be included in the hire purchase agreement”
* Content should include
* Down payment
* Number of instalments for payment of the remaining amount
* Ownership of the goods
* Right of possession
* Relocation/disposal/sale of the goods
* Default leading to return of goods
* Maintenance of the goods
* Insurance of the goods
* Seller’s entitlement to benefits.

4. a) Root cause analysis for declining sales should be as follows

Statement of need

Declining sales

WHY: POOR CUSTOMER CARE

WHY: INADEQUATE MARKETING SKILLS

ROOT CAUSE

LACK OF TRAINING TO EMPLOYEES

NECESSARY ACTION

CONDUCTING OF EMPLOYEE TRAINING

b) The flyers designed should have

* Business name & address
* Business contact
* Business location
* Goods & services offered
* Benefit of consumption to consumers
* Appealing words/phrases/motto
* Business logo

c) The market survey guide prepared should include;

* Heading i.e Business name & address plus the words ‘market survey guide’
* Personal information i.e name, sex, age, marital status, location, income level etc
* Questions on SPS ie
* Place
* Product
* Price
* Promotion
* Positioning
* General question/information

d) The marketing flow chart drawn, should include the heading and channels of distribution as below;

BUSINESS NAME

P.O BOX ………………..

MARKETING FLOW CHART

PRODUCER

WHOLESALER

RETAILER

CONSUMER

AGENT

RETAILER

CONSUMER

WHOLESALER

RETAILER

CONSUMER

CONSUMER

RETAILER

CONSUMER

CONSUMER

Any 6x1 = 06mks

5. a(i) Inventory turnover ratio = cost of sales

Average stock

Cost of sales = 10,000,000 + (30500,000+200,000 – 600,000) – 1,100,000 = shs.39,000,000/=

Average stock = 10,000,000 + 1,100,000 = 5,550,000

2

= 39,000,000

5,550,000

= 7 times

ii) Debtors ratio = Net sales

Total debtors

= 48,000,000 – 500,000

9,000,000

= 5:3:1

iii) Acid test ratio = Total current assets – closing stock

Total current liabilities

Current asset = 9,000,000 + 8,000,000 + 1,100,000 – 1,100,000 = 17,000,000

Current liabilities = 6,000,000 + 4,300,000 + 1,000,000 = 11,300,000

Acid test ration = 17000000

11300000

= 1.5:1 OR 1:0.66

iv) Creditors repayment period

Total creditors x No of days in a year

Total purchases

= 4300000 x 365

40000000

= 39.2 days

v) Stock turnover period = average stock x No of days in a year

Cost of sales

= 5550000 x 365

39000000

= 51.9 days

vi) Debt ratio = Total liabilities

Total assets

= 18300000

78500000

= 1:4.3 or 0.2:1

vii) Fixed assets turnover ratio = Cost of sales

Net fixed assets

= 39000000

61500000

= 1:1.8 OR 0.6:1

b) Interpretation of values obtained in;

a)(i) Inventory turnover ratio of 7 times

* Implies that finished goods are bought and sold off 7 times in a trading period.

ii) Creditors repayment period of 39.2 days

* Shows that it takes the firm 39.2 days to pay its creditors/suppliers.

**6. a) HALAALA ENTERPRISES LTD**

**CASH FLOW STATEMENT**

**FOR JUNE, JULY, AUGUST, SEPTEMBER 2014**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **JUNE** | **JULY** | **AUGUST** | **SEPT** |
| **CASH INFLOWS**  Balance b/f  Cash from sales  Cash from debtors  Cash from a loan  Cash from rent income  Cash from grants & donations  Cash from debentures | SHS  5,000,000  10,000,000  -  4,000,000  2,000,000  3,000,000  4,000,000 | SHS  15,300,000  10,000,000  -  -  2,000,000  3,000,000  4,000,000 | SHS  21,950,000  10,000,000  6,000,000  -  2,400,000  3,000,000  4,000,000 | SHS  34,905,000  10,000,000  6,000,000  -  2,400,000  2,700,000  4,000,000 |
|  | 28,000,000 | 34,300,000 | 47,350,000 | 6,005,000 |
| **CASH FLOWS** |  | | | |
| Cash purchases  Payment of loan principal  Payment of loan interest  Payment of salary & wage  Repayment of corporation tax  Purchase of office safe | 8,000,000  -  -  1,000,000  500,000  3,200,000 | 8,000,000  -  400,000  1,000,000  550,000  2,400,000 | 8,000,000  1,000,000  400,000  1,000,000  605,000  1,440,000 | 8,000,000  1,000,000  300,000  1,000,000  665,000  960,000 |
|  |  |  |  |  |
| **NET CASH POSITION** | 15,300,000 | 21,950,000 | 34,905,000 | 48,079,500 |

b) In case of any surplus in the net cash position the business can

* Pay off all its current liabilities
* Lent out the surplus
* Reserve the surplus (for future use)
* Repair its fixed assets and acquire new ones
* Keep the surplus on fixed deposit account.