

P230/3
ENTREPRENEURSHIP
EDUCATION
Paper 3
July/August 2023
3 hours



WAKISSHA JOINT MOCK EXAMINATIONS

Uganda Advanced Certificate of Education

ENTREPRENEURSHIP EDUCATION

Paper 3

3 hours

INSTRUCTIONS TO CANDIDATES:

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

SECTION A

Case Study

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

Annina Clays Limited has been in clay industry since early 1990s. The company has been making clay products using fine clay from Bweya swamp in Wakiso district.

It's products are highly demanded countrywide. The company has been able to open up branches in areas of Gulu, Kyenjojo, Kabale, Teso and other parts of Uganda. The company got experienced and skilled employees from one of the leading clay product producers. Using modern machines, the company produced quality clay products. It also went to an extent of lobbying for government support which boosted their capital base.

The manufactured floor and roof tiles, flower pots, charcoal stove and other products were furnished and painted under the supervision of experts who further trained company employees. The company products were outstanding and this gave them a competitive advantage.

During late 2000s, the company started experiencing a depletion of clay due to increased exploitation. This forced Annina Clays limited to shift it's production to Bombo town in Luwero district where clay was in abundance. However, customers and engineers started complaining of poor quality products. The tiles were too heavy and could break after a short time. This made the company to start losing the customers.

To ensure business continuity, the company started diversifying. It started making steel products like iron sheets and charcoal stoves whose raw materials would be got from abroad.

The managing director being an expert in financial management started using policies that could ensure the company's survival. He cut down remuneration costs, secured financial assistance from seed of Gold commercial bank, delayed payments among others.

The company experienced a high rate of staff turnover for better opportunities.

Questions

- a) Mention **five** factors that influenced Annina to venture into that business opportunity. (04 marks)
- b) Give any **four** innovations which were made in Annina Clays limited. (04 marks)
- c) Give **five** reasons that contributed to the company's market decline. (04 marks)
- d) Identify any **three** threats to Annina Clays limited. (03 marks)
- e) (i) What factors led to labour turn over in Annina Clays Limited? (04 marks)
- (ii) Mention the consequences of labour turnover to Annina Clays limited. (06 marks)

SECTION B
SCHOOL BUSINESS CLUB

Attempt at least one question from this section.

2. With reference to the project established and operated by your entrepreneurship club,
- a) Give the general description of the project. (04 marks)
 - b) How did proper Cash Management lead to production of quality products? (08 marks)
 - c) Explain the steps you took in determining the profitability of the business. (08 marks)
 - d)
 - i) What challenges did you face while carrying out sales promotion in your school business club? (04 marks)
 - ii) How were the challenges mentioned in d(i) minimized? (04 marks)
3.
 - a) Prepare a plan that showed the business overview. (04 marks)
 - b) What measures were put in place to ensure that information exchange was a success? (05 marks)
 - c) Explain suitable man power policies that were used to enhance labour efficiency and productivity. (08 marks)
 - d) How did the economic environment hinder expansion of your business club. (08 marks)

SECTION C
FIELD TRIPS AND ATTACHMENT

Answer at least one question from this section

4. Basing on the field attachment that you carried out;
- a) Describe the background of the business. (04 marks)
 - b) How relevant was the management plan to the business you were attached to? (08 marks)
 - c) How did the owner benefit from his/her (their) business? (05 marks)
 - d) Mention any 4 VAT records that were kept by the business. (04 marks)
 - e) Advise the owner of the business on the advantages of turning the business from private to a public limited company. (04 marks)
5. With reference to any business field trip you carried out as an individual or group.
- a) Give the nature of the business. (04 marks)
 - b) Describe the marketing environment of the business you visited. (05 marks)
 - c) What ways were adopted by the business to ensure prompt payment from its debtors? (08 marks)
 - d) Explain the implications of the battle between businesses to win consumer acceptance and loyalty. (08 marks)

END

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