**P230/3**

**ENTREPRENEURSHIP**

**EDUCATION**

**Paper 3**

**Uganda Advanced Certificate of Education**

ENTREPRENEURSHIP EDUCATION

**Paper 3**

3 hours

**INSTRUCTIONS TO CANDIDATES:**

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

**SECTION A: CASE STUDY**

*Answer* ***all*** *parts*

1. **Read the case study about Kaka classic butchery and answer the questions below.**

The inspiring mottos of his former school: Hard work pays for his ‘O’ level school and “Work not words” for his ‘A’ level school motivated Kaka to venture into business as a career with start – up capital of shs.10 million he obtained by selling off his personal effects such as old clothes, text books and class notes. The urge to improve his welfare and gain status in the community as well as help his family members and relatives was his spiritual call that positioned itself in his mind to develop concrete and moderate goals.

Kaka who is an S.6 leaver from a peasantry family scanned the environment to create chances. For his business of butchery selling meat, sausages and poultry, he developed a sounding business name, “Kaka Classic Butchery”, and a moving slogan, “Quality service above all.” Taking personal responsibility for outcome, Kaka located the business along a busy street winning a large market share was not easy. He opened websites, e-mail addresses and acquired telephone lines for the business to penetrate various markets in the town. Kaka aggressively advertised ad continues to advertise his products using leaflets, local radio stations and TV stations. He has ensured the business operates in a very clean environment with good sufficient storage facilities. He packages his products attractively to add value for his customers.

Because creativity and innovation are part of Kaka, coupled with his-self confidence, he has considered introducing crocodile meat and rabbits. According to him, every advice from customers is learning opportunity that helps him to make solid decisions since his business is a sole proprietorship.

With multitude of customers flocking to Kaka Classic Butchery, Kaka now enjoys high profits. The business is operating with an average stock worth shs.40 million, turnover shs.100 million, sales at cost shs.80 million and working capital of shs.50million making Kaka attain self actualization.

 **Questions**

 (a) Describe the benefits enjoyed by Kaka by being and entrepreneur.

 (b) What behavioral characteristics associated with strong need for achievement does Kaka posses?

 (c) Suggest any strategies Kaka should use for improving the entrepreneurial environment in which his business operates.

 (d) Describe the components of advertising messages always followed by Kaka.

 (e) What advantages may the firm have by using piece rate system of wage payment?

 (f) Calculate the following financial ratios for Kaka;

 (i) Stock turnover period.

 (ii) Gross profit margin.

**SECTION B: SCHOOL BUSINESS CLUB**

2. With reference to a business club project owned by your school business club.

 (a) Give the general description of the business project. (05 marks)

 (b) State the benefits you enjoyed from generating business ideas. (05 marks)

 (c) How has your club benefited the government? (05 marks)

 (d) Describe the challenges you faced during production of the club products.

 (05 marks)

 (e) How did you overcome the above mentioned challenges? (05 marks)

3. In relation to the school business club existing in your school.

 (a) How did you raise the startup capital?

 (b) Describe the organizational plan of your school business club. (05 marks)

 (c) What factors did you consider when selecting the market for your products?

 (05 marks)

 (d) (i) How did you handle raw materials for your project? (05 marks)

 (ii) What factors determined production capacity, planning and designing your enterprise? (05 marks)

**SECTION C: FIELD ATTACHMENT/ FILED TRIP**

4. For any filed attachment you carried out.

 (a) Describe the general description of the business you were attached.

 (04 marks)

 (b) Explain any 5 forms of communication used in the business attached.

 (05 marks)

 (c) What are the methods of sales production used by the business? (05 marks)

 (d) Explain the control measures used to ensure proper cash management in the business. (05 marks)

 (e) (i) Mention any 3 source documents used in the business. (05 marks)

 (ii) What are the used of the source documents mentioned in (e) (i) above?

 (05 marks)

5. For any one business trip you have made as an individual/ group,

 (a) (i) State the objectives of field trip. (02 marks)

 (ii) Give a general description of the business you visited. (02 marks)

 (iii) Draw and list down the components of layout of the business visited.

 (03 marks)

 (b) Describe the steps followed in the purchasing plan of the business visited.

 (04 marks)

 (c) (i) State the taxes paid by the business. (03 marks)

 (ii) Advise the business owner on the importance of paying taxes.

 (05 marks)

 (d) What are the indicators of good customer care in the business? (03 marks)

 (e) Give reasons why the business visited should cope with change. (03marks)

***END***