

UNEB UACE ENTREPRENEURSHIP EDUCATION 2018

PAPER 1

Answer all questions in this section

1. i) Define the term globalization as used in entrepreneurship.
- ii) State any three global environment factors that influence an entrepreneur's business decisions.
- b) i) What is meant by product life cycle in entrepreneurship?
- ii) Mention any three stages of the product life cycle.
- c) Outline any four aspects an entrepreneur should consider when evaluating business competition.
- d) i) Distinguish between tax evasion and tax avoidance
- ii) Give any two roles of Uganda Revenue Authority.
- e) i) Differentiate corporate bonds from government bonds in relation to capital markets
- ii) Name any two legal documents used in buying and selling shares.

SECTION B

Answer any four questions from this section

2. a) Explain the role of entrepreneurship in the economic development of Uganda.
- b) What measures are being taken by the government of Uganda to develop entrepreneurship?
3. a) Explain the threats caused by entrepreneurs to the natural environment in Uganda.
- b) Suggest the strategies that can be adopted by social entrepreneurs to minimize the threats mentioned in 3(a) above.
4. a) Account for the large number of small and medium scale enterprises in Uganda.
- b) Explain the factors that limit the success of small and medium enterprises in Uganda.
5. a) Examine the factors that influence the entrepreneur's production decision – making.
- b) Describe the methods used by entrepreneurs when costing products of their businesses.
6. a) What are the determinants of human resource requirements for a business?
- b) Explain the role of a Human Resource Manager in a business.
7. a) Describe the sales promotion strategies used by entrepreneurs in Uganda.
- b) Explain the importance of sales promotion in entrepreneurship.

PAPER 2

1. You have been hired as a Human Resource Manager to improve the performance of the organization.
 - a) Prepare a newspaper advert for the post of Assistant Human Resource Manger.

- b) Draw a programme for recruiting other employees of the organization.
- c) Draft motivation policy guidelines for the organization
- d) Prepare procedures for disciplining employees.

2. The following Income Statement relates to the business of Gaba Traders for the period ended 31st December 2017.

**GABA TRADERS' INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2017**

Details	Amount (Shs)	Amount (Shs)	Amount (Shs)
Sales			65,310,000
Less cost of sales:			
Opening stock (01/01/17)		3,120,000	
Purchases	48,900,000		
add wages	3,993,000	52,893,000	
Cost of goods available for sale		56,013,000	
less closing stock		3,276,000	
Cost of sales/cost of goods sold			52,737,000
Gross profit			12,573,000
Add other incomes:			
Commission		1,260,000	
Rent income		1,800,000	
Discount income		630,000	3,690,000
Gross income			16,263,000
Less operating expenses:			
Salaries		2,652,000	
Electricity & Telephone		534,000	
Rates		1,080,00	
Discount allowed		366,000	
Total operating expenses			4,632,000
Net Profit			11,631,000

Additional information:

- I Debtors at 31/12/2017 Shs 3,265,500
- II Creditors as at 31/12/2017 Shs 3,912,000
- III Take a financial year to be 365 days

Required:

Using the information provided above, compute and interpret each of the following ratios:

- a) Gross profit margin
- b) Gross profit mark-up
- c) Stock turnover
- d) Net profit to sales ratio
- e) Debtors to sales ratio

f) Creditors to purchases ratio

3. Your community Youth group has purchased a Rice Huller Machine that threshes and packs rice.

a) Prepare regulations for the maintenance of this machine

b) Design a label to be placed on packaging bags for rice

c) Draft policy guidelines to be followed when buying rice from farmers

d) What are the benefits of your business to the community?

4. You are involved in the production and packaging of animal and poultry feeds in your town.

a) Prepare a marketing loan for your business

b) Develop guidelines for handling difficult customers in your business

c) Design a market survey questionnaire to obtain information about your potential customers.

d) Prepare a quotation for a customer who has sent an inquiry about your products.

5. B&L Construction Company employs five categories of workers and managers. The respective payment for each category is as follows:

	Category	No. of Employees	Monthly Gross Pay
1.	Cleaners	4	200,000
2.	Drivers	3	320,000
3.	Machine Operators	5	400,000
4.	Technicians	2	3,800,000
5.	Managers	1	12,400,000

Required: Using the P.A.Y.E tax rates provided below, calculate the amount of P.A.Y.E payable monthly by:

a) each category of employees

b) B & L Construction Company to Uganda Revenue Authority

MONTHLY P.A.Y.E TAX RATES

Chargeable Income	Rate
Below Shs 235,000	NIL
Above SHs 235,000 but not exceeding Shs 335,000	10% of the amount exceeding Shs 235,000
Above Shs 335,000 but not exceeding Shs 410,000	Shs 10,000 plus 20% of the amount exceeding Shs 335,000
Above Shs 410,000	a) Shs 25,000 plus 30% of the amount exceeding SHs 410,000
	b) Where chargeable income exceeds Shs 10,000,000 an additional 10% charged on the amount by which chargeable income exceeds Shs 10,000,000

6. You have established a tree – planting project in your home village.

a) Write an invitation letter to your District Forestry Officer to come and launch the project.

- b) Draft a speech you would read at the launch, giving benefits of the project to the community.
- c) Explain the strategies you have put in place for the sustainability of the project
- d) Develop policy guidelines for promoting gender partnership in the project.

PAPER 3

SECTION A:

Answer all parts of this Section

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

Mwajuma is a food vendor operating a restaurant at a strategic location. She serves tea and traditional foods. She employs a cook, a cleaner and a waitress. The restaurant has a television set and provides newspapers for the customers.

Mwajuma works from 5.00am up to midnight every day. She works as a cashier, purchases all business items, records and maintains books of accounts and banks daily cash collections. She timely pays her workers a fair wage and involves them in decision making for the business.

At the end of 2017, Mwajuma's net sales were 15,500,000, cost of sales was Shs 1,025,000, total expenses were Shs 4,500,000 and income from other sources were Shs 70,000. Mwajuma is also tax compliant. Due to the increasing demand, Mwajuma plans to expand her business by engaging in outside catering. This idea has been supported by her workers.

- a) Identify Mwajuma's entrepreneurial qualities.
- b) How does Mwajuma motivate her employees?
- c) Determine Mwajuma's
 - i) Gross profit margin
 - ii) Net profit
- d) What financial management skills does Mwajuma practice?
- e) Advise Mwajuma on how she can successfully operate her outside catering business.

SECTION B: SCHOOL BUSINESS CLUB

Answer at least one question from this Section

2. With reference to a business project owned and operated by your School Entrepreneurship Business Club:

- a) describe the business project
- b) explain the marketing strategies that were used in the business project
- c) describe the internal control systems you used in the operation of the business project.
- d) i) what operational costs were incurred by the business?
ii) how did you minimize the production costs in the business?

3. In relation to your School Entrepreneurship Club Business Project:

- a) give the general description of the project
- b) with an illustration, describe the organizational chart of the project.
- c) what competitive strategies were used in the business?
- d) how did your business dispose of waste materials?

SECTION C: FIELD ATTACHEMENT/ FIELD TRIP

Answer at least one question from this section

4. For any one business enterprise that you were attached to:

- a) i) state the vision of the business
- ii) describe the business you visited.
- b) how does the entrepreneur ensure safety of handling and storage of products of the business?
- c) describe the various books of accounts used in the business
- d) based on SWOT analysis, what are the threats to the business?

5. For any one field trip you made as an individual or group:

- a) i) state any three objectives of the field trip
- ii) give the general description of the business you visited.
- b) explain the effects of the business on the environment.
- c) describe the policies used by the business to improve the welfare of its employees
- d) how does the business minimize production costs?