

P230/3
Entrepreneurship
Paper 3

3 hours

INTERNAL MOCK EXAMINATION – 2019

Uganda Advanced Certificate of Education

ENTREPRENEURSHIP EDUCATION

Paper 3

Duration: 3hours

INSTRUCTIONS TO CANDIDATES:

- ❖ *This paper consists of **THREE** sections **A**, **B** and **C**.*
- ❖ *Answer **four** questions section only.*
- ❖ *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) attempted will **not** be marked.*

SECTION A: compulsory

Answer **ALL** parts of this question

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

Birungi, a university graduate is a successful entrepreneur owning and operating Birungi Poultry Farm (BPF) in her home district since 2007. Before she started the project, she carried out market research and established that poultry was a viable and profitable business. There were few poultry farms in the area producing low quality products.

Birungi had saved shs.200,000 which she topped up with a loan of shs.1,800,000 from her parents that was payable within two years. With this capital, she built a poultry house, bought chicken feeds, drugs, feeding and egg trays and 1000 chicks.

During the initial stage, Birungi encountered a few challenges; 100 chicks died in transit and thieves broke into the farm and stole 50 chicks, fire gutted part of the store and destroyed chicken feeds worth 250,000. More losses were incurred when workers sold eggs and never remitted the money to the cashier, and when cash was robbed in transit from the bank.

Despite all the above challenges, the poultry farm is doing well offering high quality products at affordable prices. It makes a monthly net profit of shs.500,000.

The farm employs 20 workers including a manager, a cashier and a security guard. Weekly meetings are held to evaluate employee performance. Workers are paid in time and are provided with meals and accommodation. The farm's vision is "The customer is king." A suggestion box has been put in place to get a feedback from customers.

Credit facilities are extended to trustworthy and loyal customers. Discounts are offered to customers who buy in bulk and pay promptly. Free transport is also given depending on the qualities purchased.

Birungi has been able to educate her children and build houses for rent. The project has served as a model farm for schools and surrounding communities.

Questions

- a) What factors influenced Birungi to start the poultry project? (05mks)
- b) Advise Birungi on strategies that should be adopted to minimize losses in BPF. (05mks)
- c) How has BPF been able to withstand competition from other farms?(06mks)
- d) Explain the benefits of BPF to the surrounding areas. (06mks)
- e) Suggest the types of records that should be kept by BPF. (03mks)

SECTION B

SCHOOL BUSINESS CLUB

Answer at least **one** question from this section.

- 2. With reference to your School Entrepreneurship Club Business Project;
 - a) describe the business project carried out (04mks)
 - b) what entrepreneurship activities were carried out in the business? (05mks)
 - c) explain the business ethics practiced by the business towards the customers. (04mks)
 - d) describe the forms of written communication used in the business. (04mks)
 - e) (i) What challenges were encountered during the operation of the business? (04mks)
ii) Outline the measures the business took to minimize the challenges mentioned in (e) (i) above. (04mks)

- 3. In relation to the School Business Project carried out by your Entrepreneurship Club;
 - a) give the general description of the business; (04mks)
 - b) state the goals of the business. (03mks)
 - c) explain the significance of the action plan in the implementation of the business opportunity. (05mks)

- d) (i) Outline the factors that were considered when selecting sales promotion strategies for the business. (04mks)
- ii) Describe the measures used by the business to control its cash flow. (05mks)

SECTION C:

FIELD ATTACHMENT /FIELD TRIP

Answer at least **one** question from this section

- 4. For any field attachment in which you were involved;
 - a) Describe the negotiation skills that were used by the business owner. (04mks)
 - b) What social – cultural factors influenced the entrepreneur’s choice of the business opportunity? (05mks)
 - c) Explain the measures being taken to maintain the quality of purchases for business. (06mks)
 - d) Mention the techniques used by the entrepreneur to ensure effective time management. (04mks)
 - e) (i) List the financial statements kept by the business. (03mks)
 - ii) State the purpose of each of the financial statements mentioned in (e) (i) above. (03mks)

- 5. For any field trip you made either as an individual or a group.
 - a) (i) name the type of business you visited (01mk)
 - ii) State the objectives of the field trip. (02mks)
 - b) Explain the factors that influenced the lay-out of the business. (06mks)
 - c) What measures are undertaken by the business to ensure production of quality product? (06mks)
 - d) Describe the documents used in the purchasing process of the business. (06mks)
 - e) List the indicators of success for the business.

END