



UGANDA NATIONAL EXAMINATIONS BOARD
Uganda Advanced Certificate of Education

P230/1
ENTRENEURSHIP
EDUCATION

SCORING GUIDE
FOR THE SAMPLE PAPER

SECTION A

Item 1 a)

To attain the highest level of achievement, the candidate is expected to:

- Read the scenario
- Evaluate the benefits of self employment over paid employment in the scenario or vice-versa.
- Conclude by advising Musas on which decision he should make base on the type of employment which has more benefits.
- Present at least 2/3 of the expected responses. For example, a candidate who gives 2/3 of the 6 responses = 4 and above will be a high achiever.

Possible Responses

- i) Musas shall gain control over work schedules of his business than working for all days in the week.
- ii) Musas shall receive increased income from profits if he works hard than being employed where he gets only the salary.
- iii) Musas shall gain community recognition in his business than working under triple K traders as a sales person
- iv) Musas can ensure job security from his business if he starts and sustains his shoe making business than when working with Triple K Traders where job security is uncertain.
- v) Musa shall make all decisions in his business unlike when working with Triple K Traders where he rarely participates in decision-making of the business.
- vi) Musa can practice creativity and innovation when he opens up his shoe making business that when in Triple K Traders

Item 1 b)

To attain the highest level of achievement, the candidate is expected to:

- Read the scenario
- Analyses Mbale City environment
- Explains the extent to which the environment favours/disfavours Musas' business idea.
- Present at least 2/3 of the expected responses. For example, a candidate who gives 2/3 of the 10 responses = 7 and above will be a high achiever.

Possible Responses;

- i) Raw materials e.g. skins and hides, synthetic fibres, glue, nails, nylon, threads etc.
- ii) Machinery, tools and equipment e.g. hammers, scissors, sewing machines
- iii) Skilled labour / cheap labour

- iv) Financial services from financial institutions
- v) Premises / Land and buildings for the business
- vi) Utilities e.g. electricity and water
- vii) Market for the products / Limited competition
- viii) Well-developed transport network
- ix) The security of the place
- x) Government policy on type of business

Item 2 a)

To attain the highest level of achievement, the candidate is expected to:

- Read the scenario
- Identifies the societal problems in the the scenario.
- Evaluate the sustainable businesses that can create a source of income while solving the societal problems from the available resources.
- Present at least 2/3 of the expected responses. A candidate who gives 2/3 of the 6 responses = 4 and above will be a high achiever.

Possible Responses

Societal problem- Littered environment may lead to; unhygienic environment and cause diseases like dysentery, harbour snakes which can bite somebody and lead to death, mosquitoes-malaria, etc.

Sustainable business that can address societal problems;

1. Empty plastic bottles
 - Making door mats
 - Making wall decorations
 - Making indoor game equipment e.g. Ludo, draft, etc.
 - Irrigation equipment for selling
 - Making dustbins for selling
 - Making bricks and pavers for selling
2. Polythene papers
 - Making toy balls for sale
 - Growing vegetables for sale
3. Empty paper boxes
 - Making photo frames
 - Making packaging materials
 - Making craft piece
4. Old car tyres
 - Making chairs
 - Making slippers
 - Making toy cars
 - Making flower vases
 - Making door guards
5. General
 - Recycling business
 - Waste management
 - Sensitization

Item 2 b)

To attain the highest level of achievement, the candidate is required to:

- Read the scenario
- Prepare a Social Enterprise Plan that will enable the youth to lobby for funds from the government.
- Present at least 2/3 of the expected responses. A candidate who gives 2/3 of the 7 responses = 5 and above will be a high achiever.

Possible Responses

The Social Enterprise Plan

- i) A Title
- ii) Introduction, Vision and What the business is all about.
- iii) Theory of change; showing vision, impact, outcomes, activities, inputs.
- iv) Innovations: root cause analysis and solutions
- v) Opportunities; Positives and Negative opportunities, financials for beginning the enterprise.
- vi) Management and operations – duties and responsibilities
- vii) Sustainability – budget, sources of funds, long term impact on the society

SECTION B**Item 3 a)**

To attain the highest level of achievement, the candidate is required to:

- Read the scenario
- Identify risks in the business.
- Recommend/ explain the insurance policies that can cover the mentioned business risks.
- Present at least 2/3 of the expected responses. A candidate who gives 2/3 of the 5 responses = 4 and above will be a high achiever.

Possible Responses

- | | Risk |
|------|--------------------------------|
| i) | Motor accident |
| ii) | Loss of cash |
| iii) | Cashier disappearing with cash |
| iv) | Machine breakdown |
| v) | Loss of materials |

- | Policy |
|---------------------------|
| Motor accident policy |
| Money policy |
| Fidelity guarantee policy |
| Machine breakdown policy |
| Theft and burglary policy |

Item 3 b)

To attain the highest level of achievement, the candidate is required to:

- Read the scenario
- Identify the taxes to be paid
- Calculate the taxes to be paid
- Determine the cost of the vehicle.
- Present at least 2/3 of the correct taxes to be paid. A candidate who gives 2/3 of the 5 responses = 4 to 5 will be a high achiever.

Possible Responses

Computes tax

i) Customs value	=	Exchange Rate X CIF
	=	3,650 X 300,000
	=	UGX 1,095,000,000
ii) Import duty	=	25% of Customs value
	=	$\frac{25}{100} \times 1,095,000,000$
	=	UGX 273,750,000
iii) Value Added Tax (VAT)	=	18% of (Customs value + Import duty)
	=	$\frac{18}{100} \times (1,095,000,000 + 273,750,000)$
	=	$\frac{18}{100} \times 1,368,750,000$
	=	UGX 246,375,000
iv) Withholding tax	=	6% of Customs Value
	=	$\frac{6}{100} \times 1,095,000,000$
	=	UGX 65,700,000
v) Infrastructure Levy	=	15% of Customs Value
	=	$\frac{15}{100} \times 1,095,000,000$
	=	UGX 16,425,000

The Cost of the Car is;

	UGX
i. Customs Value	1,095,000,000
ii. Import Duty	273,750,000
iii. Value Added Tax	246,375,000
iv. Withholding tax	65,700,000
v. Infrastructure Levy	16,425,000
Total	<u>1,697,250,000</u>

Item 4 (a)

To attain the highest level of achievement, the candidate is required to:

- Read the scenario
- Identify financial opportunities
- Evaluates the financial opportunities that can be utilised by the directors from the capital markets in the scenario.
- Present at least 2/3 of the correct taxes to be paid. A candidate who gives 2/3 of the 5 responses = 4 and above will be a high achiever.

Possible Responses

How to utilise the financial opportunities to raise long term finances;

- i) Selling shares to the members of the public
- ii) Issuing corporate bonds
- iii) Issuing debentures certificates
- iv) Using collective investment scheme funds
- v) Using commercial papers

Item 4 (b)

To attain the highest level of achievement, the candidate is required to:

- Read the scenario
- Identify the taxes to be paid
- Calculate the taxes to be paid
- Determine the cost of the vehicle.
- Present at least 2/3 of the correct taxes to be paid. A candidate who gives 2/3 of the 5 responses = 4 to 5 will be a high achiever.

Possible Responses

The cost value of the computer

- | | | |
|----------------------------|---|---|
| i) Customs value | = | Exchange Rate X CIF |
| | = | 3,650 X 1,000 |
| | = | UGX 3,650,000 |
| ii) Import duty | = | 10% of Customs value |
| | = | $\frac{10}{100} \times 3,650,000$ |
| | = | UGX 365,000 |
| iii) Value Added Tax (VAT) | = | 18% of (Customs value + Import duty) |
| | = | $\frac{18}{100} \times (3,650,000 + 365,000)$ |
| | = | $\frac{18}{100} \times 4,015,000$ |
| | = | UGX 722,700 |
| iv) Infrastructure Levy | = | 1.5% of Customs Value |
| | = | $\frac{1.5}{100} \times 3,650,000$ |
| | = | UGX 54,750 |

$$\begin{aligned}
 \text{v) Import Declaration fee} &= 1\% \text{ of the Customs Value} \\
 &= \frac{1}{100} \times 3,650,000 \\
 &= \text{UGX } 36,500
 \end{aligned}$$

The Cost of the Computer is:

		UGX
i.	Customs Value	3,650,000
ii.	Import Duty	365,000
iii.	Value Added Tax	722,700
iv.	Infrastructure Levy	54,750
V	Import Declaration fee	<u>36,500</u>
	Total	<u>4,828,950</u>