



UGANDA NATIONAL EXAMINATIONS BOARD
Uganda Advanced Certificate of Education

P230/2
ENTRENEURSHIP
EDUCATION

SCORING GUIDE
FOR THE SAMPLE PAPER

SECTION A

Item 1 (a)

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

- Read the scenario
- Evaluate measures that can be adopted to solve time wasting of the workers in the scenario.
- Present at least 2/3 of the expected responses. For example, a candidate who gives 2/3 of the 7 responses = 5 and above will be a high achiever.

Possible Responses

Measures to solve time wasting by workers;

- i) Making productive use of one's hidden time.
- ii) Set time schedules and do everything to follow the duty-rota.
- iii) Set aside some minutes at end of each day to review the days to do list and note achievement and make recommendations/ a follow-up.
- iv) Set realistic targets / goals / objectives.
- v) Set priorities.
- vi) Use of bio-metric machines for checking in and out.
- vii) Use of arrival and departure book.
- viii) During production time, regulate internet / regulate use of smart phones.

Item 1 (b)

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

- Read the scenario
- Identify the Liquidity ratio and Profitability ratios to be calculated from the given statements.
- State the formula of each ratio, calculate and interpret it.
- Present at least 1 Liquidity ratio and any 2 Profitability ratios, with their respective formulae, Computation and interpretation. A candidate who gives any 2 of each the Liquidity and Profitability ratios will be rated as a high achiever.

Possible Responses

Computes profitability and liquidity ratios then interprets

Liquidity ratio

Working capital ratio

$$\text{Formula} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\begin{aligned}\text{Calculation} &= \frac{35,000,000}{17,000,000} \\ &= 2:1\end{aligned}$$

Interpretation:

Bright star enterprises will /was able to clear current liabilities using current assets 2 times. This Implies that the business is solvent.

Profitability ratios

$$\begin{aligned}\text{i) Gross profit ratio} &= \frac{\text{Gross Profit}}{\text{Net Sales}} \times 100 \\ &= \frac{17,900,000}{48,200,000} \times 100 \\ &= 37\%\end{aligned}$$

Interpretation:

For every Ugx 100 of Net sales, the business generated a Gross profit of Ugx 37. This implies a good performance during the year.

$$\begin{aligned}\text{ii) Mark – Up} &= \frac{\text{Gross Profit}}{\text{Cost of Sales}} \times 100 \\ &= \frac{17,900,000}{30,300,000} \times 100 \\ &= 59\%\end{aligned}$$

Interpretation:

The business' cost of sales will be increased by 59% to attain the net sales.

OR

For every Ugx 100 of cost of sales, the business generates a gross profit of Ugx 59. This implies that the profitability position of the business is good.

iii) Net Profit ratio:

Since the business did not generate the Net profit during the year as a result of high operating expenses, the net profit ratio has not been calculated.

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Item 2 (a)

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

- read the scenario
- prepare a checklist to be followed when purchasing the welding machines, grinders and cutters mentioned in the scenario.
- 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

Checklist to be followed when purchasing welding machines, grinders and cutters:

- i. Ease of use of the machines and tools for the planned activities.
- ii. Efficiency: Ability to produce the desired output in the shortest time.
- iii. Cost of the machines and tools within the ability of the business.
- iv. Durability: Ability of the machines and tools to last for a long period.

- v. Availability on local markets.
- vi. Is the technology of the machine within the ability of the workers.
- vii. Flexibility: Ability of the machines and tools to adapt to changing requirements overtime.
- viii. Environmental concern. Are the machines and tools friendly to the environment.
- ix. Acceptability by the local community.
- x. Availability of spare parts.

Item 2 (b)

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

- the scenario
- prepare a cash projection statement from the given data in the scenario.
- the statement should have; heading, correct entries and correct cash position.
- present at least heading, 2/3 correct entries and 2/3 of correct cash position. A candidate who presents this and above will be a high achiever.

Possible Responses

**LS METAL WORKS'
CASHFLOW STATEMENT
FOR THE MONTHS OF JANUARY, FEBRUARY AND MARCH, 2026**

DETAILS	JANUARY (UGX)	FEBRUARY (UGX)	MARCH (UGX)
Cash balance	4,000,000	18,600,000	22,670,000
Add: Cash Inflows:			
Cash sales	20,000,000	24,000,000	28,800,000
Loan	40,000,000		
Total cash inflows	64,000,000	42,600,000	51,470,000
Less Cash Outflows			
Loan principal		10,000,000	10,000,000
Interest on loan		1,200,000	900,000
Generator (Machines)	35,000,000		
Recruitment and training		500,000	
Installation of machinery	2,000,000		
Electricity and fuel	400,000	380,000	361,000
Salaries	3,000,000	2,850,000	2,707,500
Raw materials	5,000,000	5,000,000	5,000,000
Total cash outflows	45,400,000	19,930,000	18,968,500
Net Cash Position	18,600,000	22,670,000	32,501,500

SECTION B

Item 3 (a)

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

- read the scenario
- examine ways of improving the performance of the business in the scenario.
- 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

Strategies Amina can use to improve the performance of her business:

- i) Setting work schedules
- ii) Ensuring competitive pricing
- iii) Continuous advertising
- iv) Employing sales persons
- v) Treating customers with respect
- vi) Offering credit facilities
- vii) Providing aftersales services
- viii) Offering discounts
- ix) Being available for customers all time
- x) Creating a good business image / reputation e.g by participating in community activities.

Item 3(b)

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

- read the scenario
- examine ways of improving the performance of the business in the scenario.
- Prepares a schedule of work for Amina's retail business.
- Present at least 2/3 of the expected responses. For example, a candidate who gives 4 out of the 5 responses will be a high achiever.

Possible Responses

The schedule should have;

- i) the title of the schedule
- ii) Table/Format
- iii) Time / period
- iv) Activities
- v) Person responsible / Supervision
- vi) Resources
- vii) Remarks

NB: The table should be filled with relevant examples

Item 4 (a)

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

- read the scenario
- examine measures for getting the personnel of the business in the scenario.
- present at least 2/3 of the expected responses. For example, a candidate who gives 2/3 of the 8 responses = 6 and above will be a high achiever

Possible Responses

Criteria to use to get Sales Assistants;

- i) Education qualification
- ii) Work experience & skills
- iii) Gender
- iv) Background
- v) Personality
- vi) Location (distance from workplace)
- vii) Languages spoken
- viii) Physical attributes like appearance

Item 4(b)

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

- read the scenario
- examine ways of improving the performance of the business in the scenario.
- prepares a tool for getting information about the potential customers in the scenario.

Present at least 2/3 of the expected responses. For example, a candidate who gives 4 out of the 6 responses= 4 will be a high achiever.

Possible Responses

- (i) States the name of the tool (e.g. Questionnaire, Observation checklist, Interview guide)
- (ii) Writes questions on;
 - Bio data
 - Promotion
 - Pricing
 - Product e.g. fashion
 - Place e.g. accessibility, where they buy from.
 - Purchasing habits etc.