



**MAKERERE HIGH SCHOOL, MIGADDE  
FOUNDED IN 1939**

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**ENTREPRENEURSHIP EDUCATION**

**'A' LEVEL SEMINAR 2024**

**SOLUTIONS GUIDE**

**ORGANISED BY:**

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**PART IP230/1**

**SECTION A**

1. a)i) Ethics refer to **set of moral principles** which are recognized in respect to a particular class of human actions/a particular group.

**OR**

Are **moral principles** that govern a person's behavior or the conducting of an activity.

ii) **Ethical values observed by business men include;**

- Honesty
- Integrity
- Responsibility
- Quality in production
- Respect for commitment/rule of law
- Team work
- Proper leadership
- corporate citizenship
- Healthy competition

b) i) **Dangers of high stock levels in an economy;**

- Reduced cash flow/ Can tie up cash flow.
- Inaccurate demand forecasting.
- Reduces profits.
- Increases storage costs / creates storage issues e.g. rent.
- Leads to over stocking.
- Leads to wastage of money and resources.
- Decreased business agility.
- Risk of stock obsolescence and spoilage.
- Causes degradation and wastage.

ii) **Factors that determine stock levels in an enterprise;**

- Availability of raw materials.
- Leadtime.
- Stock holding cost.
- Level of consumption/consumption rate.
- Trade discount allowed.
- Durability of stock.
- Availability of space.
- Level of demand/ changes in the market trends/ customer preferences.
- Reliability of supplier.

c)i) **Any two (2) forms of business competition;**

- Perfect competition
- Monopoly
- Imperfect / monopolistic competition
- Oligopoly

ii) **Adverse effects of competition include;**

- Reduction in the market share/demand of customers.
- Increased cost of production.
- Leads to misleading advertising/adverts.
- Leads to reduction in profits.
- Leads to over production hence wastage of resources.
- Limited expansion of the firms due to low sales.
- Duplication of goods and services.
- Leads to cash short falls in business.
- Over exploitation of the available resources.
- Reduced morale / self-esteem for those entries who lose out.
- Increased labour / employee turnover.
- Unemployment results due to collapse of inefficient firms.
- Limited research one to limited / reduced profits.

d) i) Gender identity refers to **one's own perception** of being male or female and of the roles that we consider should accompany the conception of ourselves.

**OR**

Refers to a person's sense of being a woman, a man, both, neither, or anywhere along the gender spectrum.

**While/yet/but**

Gender partnership refers to the idea of men walking harmoniously with women as joint partners.

**ii) Constraints to women participation in entrepreneurship activities;**

- Limited women role models and career guidance.
- Insufficient career guidance.
- Inadequate funds
- Negative attitude towards entrepreneurship and business.
- High demand on girls.
- Early marriages.
- Unfavorable government policy in relation to women participation.
- Inadequate facilities e.g. teacher supply and other equipment.
- Unfavorable nature of female occupations.
- Irrelevant curricular presentation of female.
- Negative influence of colonization.
- Discrimination against women in the labor market.
- High risky occupations which don't favour females.
- Inappropriate education system.
- Domestic work over load on women.
- Limited child care facilities.
- Political instability/insecurity.
- High levels of domestic violence.

**e) i) Benefits of insurance to an entrepreneur;**

- Encourages confidence among investors.
- Safeguards properties of business men against several risks.

- Acts as collateral security.
- Promotes international trade since business men are able to import.
- Allows business people to save part of their money.
- Ensures business continuity since one gets compensation.
- Gives loans to the business men (entrepreneurs).
- Acts on trustees and referees to their clients.
- Improves efficiency by eliminating worries.
- Risk sharing by different insured businesses.

**ii) Policies that an entrepreneur can purchase under the desirable insurance coverage;**

- Fire outbreak insurance policy.
- Goods in transit policy.
- Bad debt policy.
- Theft and burglary
- Cash on transit policy.
- Marine insurance policy.
- Machinery breakdown and consequential loss policy.
- Aviation policy.
- Workmen's compensation policy
- Sickness policy.
- Life annuity
- Medical insurance policy.

**SECTION B**

**2. (a). Significance of developing a personal brand in business;**

- Increases sales in the business.
- Builds reputation for the business amongst the customers.
- Helps in implementing new business plans with clients and customers.
- Adds perceived value to what one is selling.
- Creates a sense of individuality and uniqueness in the minds of customers.
- Increases worthy and credibility of business decision.
- Associates one with his/her product.
- Helps in following up the promises of your brand.
- Differentiates an entrepreneur's product from those of the competitors.
- Raises brand visibility.
- Attracts right people and opportunities.
- Positions advertising messages on the minds of target customers.

**b) The various laws that are helpful in creating effective and lucrative personal brand;**

- Specialization
- Leadership
- Personality
- Distinctiveness
- Visibility
- Unity

- Persistence
- Goodwill

**3. (a). Process followed when determining the viability of a given business;**

- Deciding on the type of business is merchandise/service/manufacturing.
- Choosing the location is either rural/urban location.
- Forecasting sales i.e. determining the size of the market.
- Estimating the costs i.e. cost of the goods, wages, advertising, taxes etc.
- Estimating profits i.e. calculated by setting estimated sales less costs.

**b) Circumstances under which an entrepreneur may sell goods on credit;**

- In case there is need to create space for new stock.
- In case there is need to get rid of goods that are about to expire.
- In case it's the business policy to sell on credit.
- When the business wants to outcompete rival firms.
- When there is need to introduce a new product.
- When the business can also purchase on credit.
- When the buyer is faced with a deflationary economic situation.
- If there are strong laws to support credit transactions.
- If the customer has collateral security to be presented.

**4. (a). Influence of demographic factors on entrepreneurial intentions and opportunities in the community;**

- Population size
- Level of Education and training.
- Age scheme.
- Gender composition.
- Income levels.
- Family background.
- Family size.
- Changing roles and responsibilities of the family.
- Family inheritance/succession.

**b) Advising an entrepreneur on the measures of promoting entrepreneurship environment;**

- Ensuring favorable government policy as regards Entrepreneurships.
- Encouraging infrastructural development e.g. power supply, water etc.
- Reducing costs of business through taxes especially private entities.
- Developing the financial system to enhance access to credit.
- Maintaining peace and security in the country.
- Recognizing and rewarding business role models in the community.
- Increasing government expenditure and social services.
- Promoting democracy in business to allow freedom.
- Ensuring favorable export policy e.g. low export policies.
- Providing social financial support to entrepreneurs e.g. donations and grants.
- Encouraging foreign trade among countries to increase market.
- Providing resources needed in business establishment.

- Lobbying for markets regionally or abroad for business products.

**5. (a) Elements of a social enterprise plan;**

- Introduction i.e. title, vision and summary of the enterprise.
- Theory of change i.e. vision, activities and outcomes.
- The opportunity i.e. impacts area and impact potential resources.
- The innovation i.e. defines root cause analysis of the problem.
- Management and operations.
- Sustainability.

**b) Social entrepreneur may develop theory of change;**

- To show the vision i.e. what the enterprise stands for.
- To show the impact i.e. how results lead to accomplishment of the vision.
- To show the outcomes i.e. what would/the results of the activities.
- To show the activities i.e. what comes out of the one's efforts.
- To show the inputs: what you do achieve the vision and resources needed.

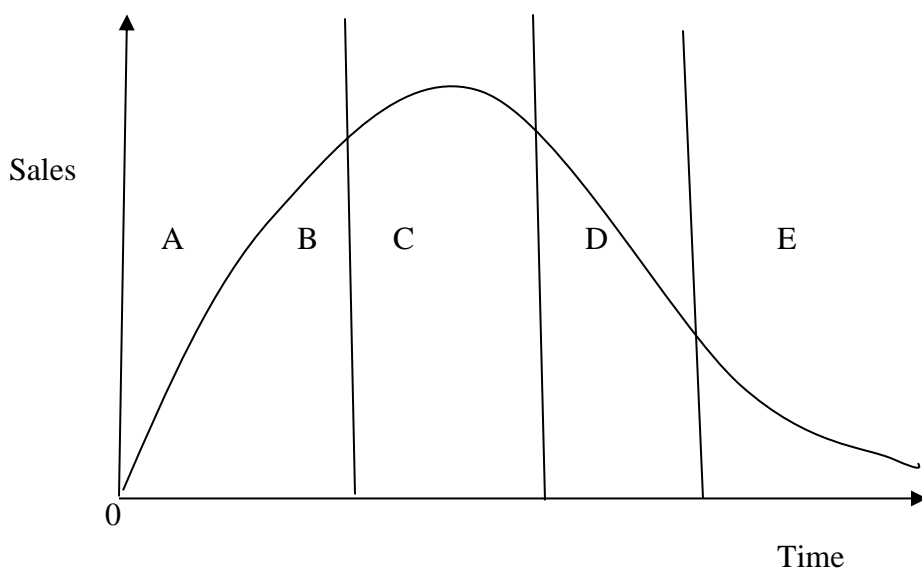
**6. (a) The different forms of expenses that maybe incurred by the manufacturing business;**

- Prime costs e.g. direct labour and direct material.
- Work costs e.g. rent expenses, power charges and labour.
- Total manufacturing costs.
- Administration, selling and distribution costs.
- Total/gross cost.
- Manufacturing overhead.

**b) Reasons for financial planning to an entrepreneur;**

- For building and growing a modern and transparent business.
- To enable sensible cash flow management.
- For smart budget allocation.
- To enable the necessary cost reductions.
- To enable risk mitigation.
- In order to enable smooth fundraising.
- To enable a road map for growth.
- To determine the profitability of the business.
- To act as a tool of control for the business.
- To compare the performance of the business with related businesses.
- For investment purposes.
- For research and study purposes.
- To determine ability of the business in paying off its long-term loans.
- To calculate the taxes on income.

7. (a) Illustration of the product life cycle.



- A; Introduction stage: is the first stage where market size and growth are low.
- B; Growth stage: Is the second stage where there is rapid growth in sales and profits.
- C; Maturity stage: is a stage where competition is most intense as companies fight to maintain their market share.
- D; Decline stage: is a stage where the market is reducing as well as the profits.
- E; Withdrawal stage: is a stage where the product is withdrawn from the market because of continuous decline in sales and profits.

b) Some entrepreneurs may fail to maintain the market share because of;

- Failure to advertise intensively.
- Inappropriate customer care.
- Unfavorable pricing.
- Limited product variety.
- Limited motivation of the sales force.
- Failure to open up new sales outlets.
- Failure to renovate business premises.
- Failure to offer discounts.
- Improper display of their products.
- Inadequate market research.
- Failure to involve in community development programs.
- Low credit facilities given to customers.
- Use of inappropriate technology.
- Failure to carry out personal selling.

8. (a) **Labour turnover** =  $\frac{\text{Number of leavers.}}{\text{Average number of employees}} \times 100$

=  $159/2000 \times 100$ . =  $15/2$ . =  $7.5\%$

Labour turnover. = 7.5%

**b) Sources of recruitment of workers in an enterprise;**

- Present employees.
- Private employment agencies.
- Mass media.
- Unsolicited applicant.
- Labour unions/trade unions.
- Higher institutions of learning/universities.
- Competing organization.
- Professional associations.
- Employee referral.
- Internet.

**9. (a) The various indirect taxes charged on entrepreneurs in Uganda;**

- Value Added Tax (VAT) i.e. levied on consumption of goods and services.
- Import duty (custom duties/taxes) i.e. imposed on goods entering the country.
- Export duty (export tax) i.e. imposed on goods leaving the country.
- Sales tax i.e. tax imposed as a percentage of goods and services sold
- Excise duty i.e. tax imposed on locally manufactured goods.
- Sumptuary tax i.e. tax imposed on specific consumer foods to discourage their consumption.
- The local hotel tax i.e. imposed on hotel rooms and paid by room occupants.
- Advalorem tax i.e. levied on the value of products.
- Transit tax / octoroi tax.
- Withholding tax.

**b) Why URA relies on indirect taxes than direct taxes;**

- Are comprehensive than direct taxes
- Impartial because they don't discriminate unlike direct taxes.
- Reduce the level of income inequality than direct taxes.
- Are flexible/elastic compared to direct taxes.
- Are more economical in terms of collection and administration than direct taxes.
- Difficult to erode and evade unlike direct taxes.
- Are convenient because they are paid when spending.
- Tend to contribute more revenue to the government.
- Are paid willingly as they are part of the price.
- Encourage hard work as they are levied on final goods.
- Reduce inflation.
- Used to correct balance of payment position.

**10. (a) Responsibilities of Uganda's stock exchange;**

- Generation of government revenue through taxes.
- Providing a facility for raising funds for investment in long-term assets.
- Setting prices for securities i.e. shares of listed companies.
- Providing stock exchange figures as a measure of economic growth.
- Mobilizing savings for investment in productive enterprises.



- Providing an avenue for privatizing state-owned enterprises.
- Allowing companies to raise long-term finances.
- Facilitating public borrowing by the government.
- Ensuring realistic transfer of shares for investors.
- Provision/creation of employment opportunities e.g. jobbers, brokers.
- Publishing information on various companies which guide both investors and companies.
- Providing ready market for those who want to buy and sell shares.

**b) Challenges of buying units in collective investment schemes;**

- There is lack of control/ loss of control as one directly involved.
- There are high fees and charges charged by the fund managers.
- The success of the investment depends on the organizational ability of the manager.
- Are many long legal procedures involved hence consuming the investor's time.
- Are lower returns in collective investment schemes.
- There is opportunity cost e.g. directly in the stock market.
- There are many fees charges in terms of paying for the services rendered by managers.

**PART II P230/2 ANSWER GUIDE**

**11. (a) Loan amortization schedule**

CENTENARY BANK  
P.O.BOX 201 KAMPALA  
TEL: 0787 403 540

Loan amount: shs 60,000,000  
Credit period: 5 years  
Installments: 5  
Interest rate: 12% per month  
Method: Diminishing balance  
Name of the client: .....  
Account number:.....

period	Principle repayment(shs)	Interest amount (shs)	Total amount (shs)	Balance (shs)
1 <sup>st</sup> year	12,000,000	7,200,000	19,200,000	48,000,000
2 <sup>nd</sup> year	12,000,000	5,760,000	17,760,000	36,000,000
3 <sup>rd</sup> year	12,000,000	4,320,000	16,320,000	24,000,000
4 <sup>th</sup> year	12,000,000	2,880,000	14,880,000	12,000,000
5 <sup>th</sup> year	12,000,000	1,440,000	13,440,000	Nil
<b>total</b>	<b>60,000,000</b>	<b>21,600,000</b>	<b>81,600,000</b>	

Signed: .....} fill

Menya Ali  
Loan Officer

Prepared by:.....} fil

Tego Gerald  
General manager

**(b). Guidelines for proper management of the loan****Name and address of the business****GUIDELINES FOR PROPER MANAGEMENT OF THE LOAN**

- The business shall properly document the loan
- The business shall observe the agreed method of loan repayment
- The loan funds shall be used for the intended purpose.
- The business shall be managed properly to ensure profitability.
- The business shall maintain a cordial relationship with the lender.
- The business shall seek advice from the lender in case of any problem.
- The business shall provide accurate information when applying for a loan.

**(c) loan application form****Name and address of the business****LOAN APPLICATION FORM****PERSONAL DETAILS**

Sur name: .....other name.....First name .....

Sex male ☐ Female ☐ Marital status .....

Residential address .....plot no ..... Street ..... Village .....

Email ..... P.O.Box ..... County .....

**BANK DETAILS**

Bank ..... Branch ..... Account number .....

Do you have another loan with another bank? YES NO

If yes, provide the following details

Bank	Credit balance	Monthly installment	Pay A/C No

**EMPLOYMENT DETAILS**

Employment type ..... Primary occupation .....

Terms of employment.....

Employer name ..... Salary date ..... Net income per month.....

**EMPLOYER DETAILS**

Plot No. .... Premises ..... Street .....

Village ..... P.O.Box. .... District ..... Telephone .....

**LOAN REQUEST DETAILS**

Amount requested for ..... Period .....(months)

**Net of kin**

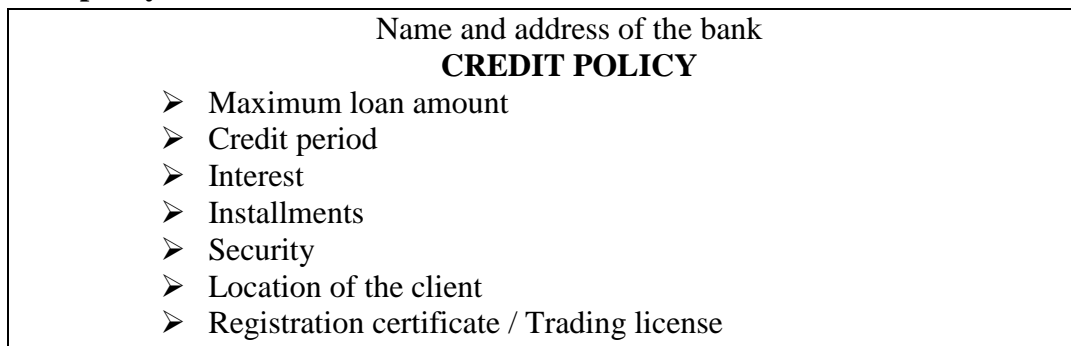
Sur name ..... First name ..... Relation..... Mobile .....

**Declaration**

I hereby declare that the particulars given are true and complete

Applicant's name ..... Signature ..... Date .....

**(d) Credit policy**



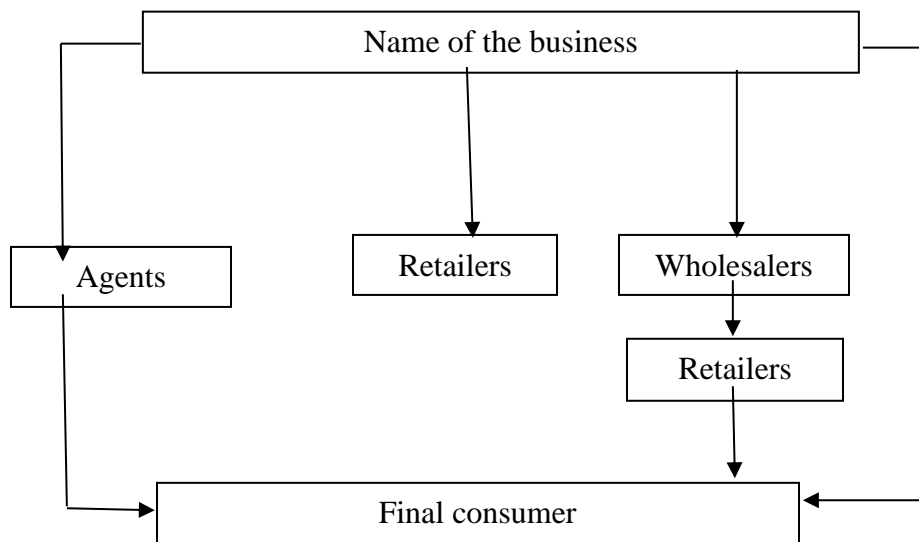
**12. (a) Factors considered when selecting workers.**

- Age
- Gender
- Academic qualification
- Experience
- Distance from the business
- Cost of the worker
- Attitude towards work.

**(b). Marketing strategies.**

- Referral.
- Cold calling.
- Advertising
- Networking.
- Writings.
- Display.
- Offers.
- Decision making.
- Negotiations.

**(c). Marketing flow chart**



(d) **Business ethics towards customers**

- Honesty
- Fair pricing
- Responsibility
- Geniality
- Courtesy

13. (a). **Guidelines to ensure gender balance of employees.**

**Name and address of the business**

**GUIDELINES TO ENSURE GENDER BALANCE OF EMPLOYEES**

- Both female and male people shall apply for the available job opportunities so as nobody is left out
- Both male and female workers shall be given training opportunities in order to increase efficiency
- Talents of both men and women shall be recognized in order to develop them accordingly.
- Special consideration for the marginalized group/gender shall be put in place so as both sexes are put on the same level.
- Both men and women shall participate in decision making so as better decisions are made.
- Uniform salary shall be given to both male and female workers so as to encourage both sexes work hard.
- Good working conditions shall be given to both male and female workers in order to motivate both sexes.

(b). **Cash sales slip**

ONDABISA BISCUITS FACTORY  
P.O BOX 55 KAMAPALA  
TEL. 0773164889

Cash sale slip No 005

CASH SALES SLIP

Date 13<sup>TH</sup> July,2024

M/S BANTU BALAMU JANE FRANCIS

ITEM NO.	PARTICULARS	QUANTITY	UNIT PRICE SHS	AMOUNT SHS
001	BISCUITS	10 BOXES	20,000	200,000
	Total	E&EO		200,000

Amount in words: TWO HUNDRED THOUSAND SHILLINGS

Balance .....NIL.....

SIGN

SSSSSS

ONJEREGA JOSEPH MARY

SALES MANAGER

**Once goods are sold are not returnable.**

(c). **strategies for enhancing security**

**Name and address of the business**

**STRATEGIES FOR ENHANCING SECURITY**

- Installing security lights and switching them on at night
- Punishing all the trespassers in the business premises
- Constructing a wall fence around the business premises
- Electrifying the wall fence.
- Employing well-armed and trained security workers.
- Placing warning labels / notices relating to security at different points.
- Installing fire extinguishers at the business work place.
- Installing CCTV cameras at the business premises
- Ensuring close supervision of all workers while carrying out their duties
- Ensuring that all workers put on their uniforms and tags for easy identification of bad people.
- Checking thoroughly all the vehicles, motorcycles and persons entering or leaving the business
- Ensuring that all vehicles, motorcycles, persons and their properties are registered on arrival at the main gate
- Rearing dogs to beef up the security.
- Organizing for workers workshops / seminars on security measures

d) **instructions to workers for proper maintenance of factory machines**

**Name and address of the business**

**INSTRUCTIONS TO WORKERS FOR PROPER MAINTENANCE OF FACTORY MACHINES**

- Machines like computers shall to be covered when not in use to avoid dust and damages
- Machines shall be serviced twice in a month as recommended by the supplier.
- Workers are to be provided with appropriate safety devices that prevent running of machines while their hands or other parts are in danger when using the machines.
- There shall be close supervision and monitoring of the workers using the machines
- Machines are to be painted and oiled to avoid rusting.
- Workers shall be given clear instructions / machine operational manuals on how to use the machines.
- Proper safety guards or devices shall be attached to dangerous moving parts of machines to avoid their damage like power stabilizers, fridge guards.
- Machines are to be switched off immediately after use so as to save power or avoid accidents.
- Machines shall be properly stored in appropriate places that are moisture free to prevent them from rusting
- Skilled labour shall be employed to operate specific production machines to prevent accidents.

- Workers are to be trained periodically on how to use the machines as prescribed by the supplier to avoid causing mechanical problems.
- Proper wiring of machines shall be done to avoid short circuits.

14. (i). **Gross profit** = Turnover (Net sales) – Cost of sales

But: Cost of sales = opening inventory + Net purchases – Closing inventory

But: Net purchase = Purchases + Carriage on purchases

$$= 25,000,000 + 1,000,000$$

$$= \text{Shs } 26,000,000$$

$$\text{Cost of sales} = (6,000,000 + 26,000,000) - 3,000,000$$

$$\text{Cost of sales} = \text{shs } 29,000,000$$

$$\text{Gross profit} = 48,000,000 - 29,000,000$$

$$\text{Gross profit} = \underline{\text{shs } 19,000,000}$$

(ii). **Net profit** = Gross income – operating expenses

But: Gross income = Gross profit + Additional income (Purchases discount)

$$= 19,000,000 + 120,000$$

$$= \text{shs } 19,120,000$$

Operating expenses = salaries and wages + carriage on sales + accrued rent + Provision for depreciation on motor van + Sales discount

$$= 7,000,000 + 500,000 + 500,000 + 300,000 + 150,000$$

$$= \text{shs } 8,450,000$$

$$\text{Net profit} = 19,120,000 - 8,450,000$$

$$\text{Net profit} = \underline{\text{shs } 10,670,000}$$

$$\begin{aligned} \text{(b) (i) Wages and salaries expenses ratio} &= \frac{\text{Wages and salaries}}{\text{Turnover (Net sales)}} \times 100 \\ &= \frac{7,000,000}{48,000,000} \times 100 \\ &= \underline{14.58\%} = \underline{15\%} \end{aligned}$$

**Interpretation:** For every shs 100 earned from sales, shs 15 is spent on salaries and wages.

(ii). **Holding ratio in days / stock turnover period in days**

$$= \frac{\text{Average stock}}{\text{Cost of sales}} \times \text{Number of days in a year}$$

$$\text{But: Average stock} = \frac{\text{Opening inventory} + \text{Closing inventory}}{2}$$

$$= \frac{6,000,000 + 3,000,000}{2}$$

$$= \text{shs } 4,500,000$$

$$\text{Holding ratio in days} = \frac{4,500,000}{29,000,000} \times 365$$

$$= \underline{56.6 \text{ days}} = \underline{57 \text{ days}}$$

**Interpretation:** Stock was held for 57 days in 2023 before it was sold.

**(ii). Average payment period in weeks**

$$\begin{aligned}
 &= \frac{\text{Accounts payable}}{\text{Net purchases}} \times \text{Number of weeks in a year} \\
 &= \frac{4,500,000}{26,000,000} \times 52 \\
 &= \underline{\underline{9 \text{ weeks}}}
 \end{aligned}$$

**Interpretation:** The business paid its creditors after an average of 9 weeks in 2023

$$\text{(iv). Cash ratio} = \frac{\text{Absolute liquid assets}}{\text{Current liabilities}}$$

$$\begin{aligned}
 \text{Absolute liquid assets} &= \text{Bank balance} + \text{Cash balance} \\
 &= 4,000,000 + 3,000,000 \\
 &= \text{shs } 7,000,000
 \end{aligned}$$

$$\begin{aligned}
 \text{Current liabilities} &= \text{Accrued rent} + \text{Accounts payable} \\
 &= 500,000 + 4,500,000 \\
 &= \text{shs } 5,000,000
 \end{aligned}$$

$$\begin{aligned}
 \text{Cash ratio} &= \frac{7,000,000}{5,000,000} \\
 &= \underline{\underline{1.4 : 1}}
 \end{aligned}$$

**Interpretation:** the business had the ability to pay its current liabilities using its absolute liquid assets in 2023.

$$\text{(v). Net current assets ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

$$\begin{aligned}
 \text{Current assets} &= \text{closing inventory} + \text{cash} + \text{Bank} + \text{accounts receivable} + \text{unused stationery} \\
 &= 3,000,000 + 3,000,000 + 4,000,000 + 5,000,000 + 300,000 \\
 &= \text{shs } 15,300,000
 \end{aligned}$$

$$\begin{aligned}
 \text{Net current assets ratio} &= \frac{15,300,000}{5,000,000} \\
 &= \underline{\underline{3 : 1}}
 \end{aligned}$$

**Interpretation:** The business had the ability to pay off its current liabilities using its current assets by 3 times in 2023.

$$\text{(vi). Fixed assets turnover} = \frac{\text{Turnover (Net sales)}}{\text{Fixed assets}}$$

$$\begin{aligned}
 \text{But: Fixed assets} &= (\text{Motor van} - \text{provision for depreciation}) + \text{Land} + \text{Equipment} \\
 &= (3,500,000 - 300,000) + 7,000,000 + 1,400,000 \\
 &= 3,200,000 + 7,000,000 + 1,400,000 \\
 &= \text{shs } 11,600,000
 \end{aligned}$$

$$\begin{aligned}
 \text{Fixed assets turnover} &= \frac{48,000,000}{11,600,000} \\
 &= 4.1 \text{ turns/times} \quad = 4 \text{ turns / times}
 \end{aligned}$$

**Interpretation:** The business turned its fixed assets in to sales revenue 4 time or turns in 2023.

15. a) NOTICE:



**MULUNGI BAKERY**  
**P.O. BOX 20, MUKONO.**  
**0772961296**

**NOTICE**

**Date: 13/07/2024**

Dear Esteemed customers,

**RE: CHANGE OF BUSINESS LOCATION.**

This is to inform all our esteemed customers that we are going to relocate the bakery to a more comfortable and spacious place. The new location is in Seeta trading Centre on Namugongo Road where we plan to serve you better in a more spacious place with ample parking space. We expect to shift on 1<sup>st</sup>/08/2024.

We apologize for any inconveniences caused. For farther inquiries please contact our

b) **Guidelines to ensure cleanliness in the bakery**

**MULUNGI BAKERY**  
**P.O. BOX 20, MUKONO**  
**0772961296**

**GUIDELINES FOR ENSURING CLEANLINESS IN THE BAKERY.**

- Business premises/compound shall be swept every day.
- Rubbish shall be collected and dumped in rubbish bins and pits placed in different corners of the bakery premises.
- Waste materials shall be recycled into other products.
- Water supplies shall be put at all points and in toilets/wash rooms to enable people to wash hands.
- All equipment shall be washed or cleaned before and after use.
- Washing/scrubbing of toilets, urinals and bathrooms daily.
- Grass in the compound shall be slashed and flowers trimmed every after 3 weeks.
- Workers shall be given Aprons which are to be washed daily.
- Walls, doors and windows shall be painted every year.

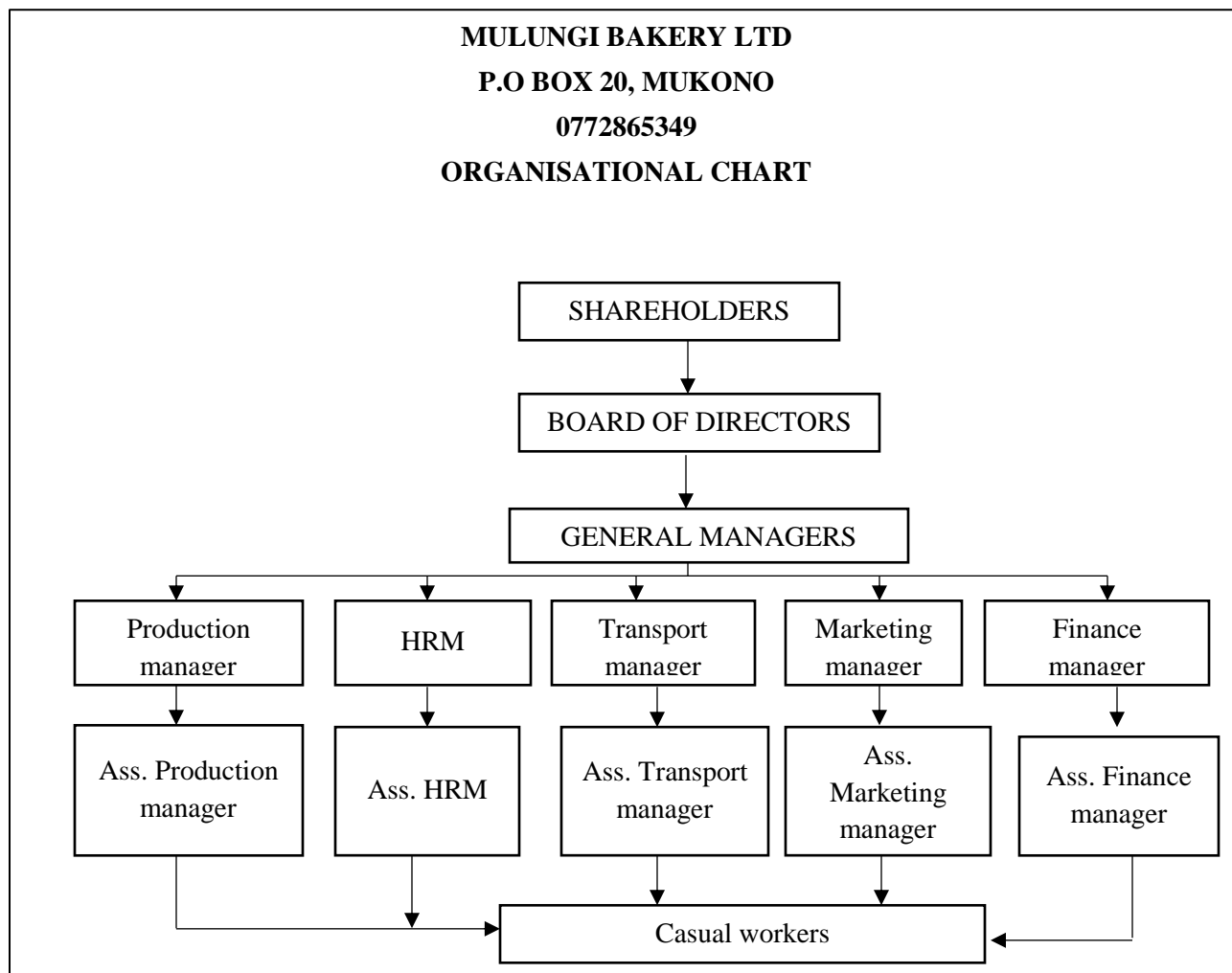


c) **Management Plan**

**MULUNGI BAKERY LTD**  
**P.O.BOX 20, MUKONO**  
**0772961296**  
**MANAGEMENT PLAN**

- Legality of the business **Mulungi Bakery Ltd** is a private Limited liability Company with 5 shareholders and run by 2 directors.

**Organizational Chart**



- People in the management and their responsibilities. The two (2) members of the board each has a master's degree in business administration. They are in charge of making decision for the business. They are assisted by the general manager who oversees the work of heads of department.
- **Nature of workers.** The business employs skilled, semiskilled and unskilled workers. The skilled workers do technical and supervisory work, the semiskilled workers do the processing and packaging of products while the unskilled workers do the cleaning of the bakery premises.
- **Workers qualifications:** - The two (2) directors are holders of a master's degree in business administration. The general manager has degree in public administration. The departmental

managers hold degrees in their respective areas of specialization. The casual workers are holders of P.L.E certificates.

- **Fringe benefits of workers:** - The top management team and departmental heads are given free accommodation, medical, meals and airtime of shs 50,000 per month. The casual workers are given accommodation and meals only.
- **Remuneration of workers:** - The general manager is paid shs 1,000,000, the departmental heads each is paid shs 700,000 while casual workers are each paid shs 150,000 per month. Salaries are paid on every 28<sup>th</sup> day of each month on the respective workers Bank accounts.

d) **The innovative strategies to be employed in the bakery.**

- Expecting charges always in order to be ready to come up with new things.
- Implementing new rules by going beyond the existing indicators of competition in business.
- Trying out new technology through searching and networking with technology service providers.
- Avoiding barriers by putting in place measures that ensure good internal cooperation among departments.
- Thinking globally in order to look for new markets for the products abroad.
- Implementing decisions very fast by coming up with new things that utilize the identified opportunity.
- Thinking like an entrepreneur by always having ideas and even going ahead to improve on them in case of failure to start.
- Making things to happen and accepting failure so as to bring about improvement.
- Continuing with learning and turning the acquired knowledge into new products/services.
- Measuring performance indicators so as to concentrate on key and strategic and profitable indicators by focusing energies on new things that drive the future success of the business.
- Recognizing and awarding innovating efforts whenever exhibited.
- Networking with various people such as customers, suppliers etc.
- Doing well to others e.g. customers, suppliers etc. in order to stay ahead of competition.

**Note:** The above strategies may also be written in form of guidelines, i.e. introducing the word **SHALL** in each of the above points.

**16. (a). Implementation plan****KAMPALA JUICE PROCESSORS****P. O Box 10, KAMPALA****0704961296****IMPLEMENTATION PLAN**

<b>TIME FRAME</b>	<b>ACTIVITY</b>	<b>RESOURCES NEEDED</b>	<b>PERSON IN CHARGE</b>	<b>INDICATORS OF SUCCESS</b>	<b>REMARKS</b>
Date should start from the date of Exam	Carrying out market research	- Market survey guides - Funds	<b>Fill in names or titles</b>	- Completed report on market research	<b>Don't fill in</b>
And range of the period is needed	Mobilizing the required finds	- Business plan. - Land title/collated security		- Possession of the required finds.	
	Selecting the suitable location/site and buying it.	- Finds		Possession of land title/agreement	
	Construction of the business buildings	- Funds - Buildings - Plans		Completed buildings	
	Acquiring of machines, tools and equipment	- Funds - Catalogue		Possession of the assets.	
	Installation of machines and utilities	- Installation in puts and expertise		Installed machinery and equipment	
	Recruitment and training of staff	- Funds - Job application forms		Possession of the trained workers.	
	Purchasing of raw materials	- Funds - Quotations		Possession of the raw materials.	
	Carrying production trials	- Raw materials. - Labour		Finished products	
	Launching project	- Funds		Finished products	
	Starting commercial production	- Raw materials. - labour		Finished products.	

b) **Letter to the district Environment Officer.**

**KAMPALA JUICE PROCESSORS  
P.O. BOX 10, KAMPALA  
0704961296**

**13<sup>TH</sup>/JULY/2024**

**Our Ref: KJP/EIA/2024**

**THE DISTRICT ENVIRONMENT OFFICER,  
WAKISO,  
P.O. BOX 20 WAKISO.**

Dear Sir/Madam,

**RE: CARRYING OUT ENVIRONMENT IMPACT ASSESSMENT.**

I humbly write to request your office to come and carryout an Environment Impact Assessment for a new branch of the above business proposed to be started in your jurisdiction area near Lubigi Swamps. The branch intends to produce a variety of juice products to be offered to the locals, in addition to provision of employment opportunities and buying fruits from the local farmers.

We request that you give the request the most urgent attention it deserves in order for us to work with in our designed action plan.

Appositive response awaits.

Yours faithfully,

## c). Plan for purchasing business inputs

**KAMPALA JUICE PROCESSORS**  
**P.O. BOX 10, KAMPALA**  
**0704961296**

**PLAN FOR PURCHASING BUSINESS IN PUTS**

PERIOD	ACTIVITY	PERSON INCHARGE	REMARKS
Fill in	<ul style="list-style-type: none"> <li>➤ Determining/identifying the business requirements.</li> <li>➤ Identifying the potential suppliers.</li> <li>➤ Contacting the suppliers.</li> <li>➤ Receiving quotations from suppliers.</li> <li>➤ Selecting the best supplier.</li> <li>➤ Ordering for the required inputs from the selected supplier.</li> <li>➤ Checking the inputs on arrival.</li> <li>➤ Receiving the invoice and crosschecking for the correctness.</li> <li>➤ - Making payments for the inputs.</li> </ul>	Fill in names or titles	Dont fill in
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>Prepared by:</b></p> <p>Signature: .....</p> <p>Name:.....</p> <p>Title: .....</p> </div> <div style="width: 45%;"> <p><b>Approved by:</b></p> <p>Signature: .....</p> <p>Name: .....</p> <p>Title:.....</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <p>} Fill in</p> </div> <div style="width: 45%;"> <p>} Fill</p> </div> </div>			

d). **Guidelines for motivating employees**

**KAMPALA JUICE PROCESSORS**  
**P.O. BOX 10, KAMPALA**  
**0704961296**

**GUIDELINES FOR MOTIVATING EMPLOYEES**

- All workers shall be treated with genuine respect at all times.
- Employees shall be paid fair salaries and in time.
- On job training shall be provided to employees when necessary.
- Business shall provide good working conditions to workers
- Business shall provide job security to workers by giving them appointment letters/contracts.
- Promotion of employees shall be based on merit and good performance.
- Employees shall be allowed to participate in decision making.
- Workers shall be given fringe benefits like leave with pay.
- Get together parties shall be thrown to employees at the end of a successful season.
- Excellent and exceptional performance shall be recognized and rewarded.
- Workers shall be provided with the necessary guidance and counseling when need arises.
- Employee discipline shall be fairly and properly managed without bias.
- Open communication between the employer and the employees shall be encouraged at all times.

## 17. (a) Pre-operational budget for shs 50,000,000

**MAGEZI BOOKSHOP**  
**P.O.BOX 60 MUKONO**  
**0772865349**

**PRE-OPERATIONAL BUDGET FOR SHS 50,000,000**

DETAILS	SHS	SHS
<b><u>Fixed capital requirements:</u></b>		
Purchase of computers	5,000,000	
Purchase of photocopier	15,000,000	
Purchase of furniture	3,000,000	
Purchases of shelves	1,000,000	
Purchases of tools and equipment	2,000,000	
<b>Sub total</b>		<b>26,000,000</b>
<b><u>Working capital requirement:</u></b>		
Salaries and wages	3,000,000	
Transport costs	500,000	
Purchases of stock	18,300,000	
Payment for electricity	100,000	
Advertising	200,000	
Insurance	300,000	
Subtotal		<b>22,400,000</b>
<b><u>Startup expenses:</u></b>		
Carrying out market research	500,000	
Registration of business	100,000	
Trading licence	50,000	
Recruitment costs	150,000	
Initial rent	500,000	
Advertising	300,000	
Subtotal		<b>1,600,000</b>
<b>Grand total</b>		<b><u>50,000,000</u></b>

**Prepared by:**

Signature: .....  
 Name: .....  
 Title: .....  
 } Fill in

**Approved by:**

Signature: .....  
 Name: .....  
 Title: .....  
 } Dont  
 Fill in

b). Newspaper advert



**MAGEZI BOOKSHOP**  
**P.O. BOX 60, MUKONO**  
**0772865349**

**JOB ADVERT**

Magezi Bookshop deals in the selling of all categories of books in addition to providing secretarial services. The business seeks to recruit an accountant to manage its finances.

**Job Title:** Accountant

**Job reference No. :** MBS/ACC/2024

**Job Duties and Responsibilities:**

- Preparing Budgets
- Controlling cash inflows and outflows.
- Preparing the books of accounts.

**Academic qualifications:** Should have a degree in Commerce, Accounting and Finance or Business Administration from a recognized university.

**Work experience:** Atleast five (5) years working with Accountancy related fields.  
 Age: 28 – 45 years.

**Special skills:** Should have excellent reporting and computer skills.

**Remuneration:** Attractive

**Other competences:**


- Should be a female and preferably a Christian.

**Mode of application:** Qualified and interested applicants should submit their applications with all their academic documents.

**Closing date:** Not later than 30<sup>th</sup>/07/2024



## c) newspaper advert



**MAGEZI BOOKSHOP**  
**P.O. BOX 60, MUKONO**  
**0772865349**

**Location:** We are located in Mukono Town on Maguja Arcade opposite Sombe Supermarket.

**Products/services offered:**

- We sell all categories of books for all levels of academic institutions and other books for knowledge empowerment.
- We also sale exercise books, counter books, note books etc.
- We offer secretarial services in typesetting, printing, scanning, making receipt books and all graphics works.

We are open Monday – Saturday  
7: 00am – 9:30pm

**Note: The medium choice made must be named before preparing it.**

## d) The sales promotion strategies should include the following:

- Offering discounts to customers.
- Giving gifts to customers.
- Offering credit facilities to well-known customers.
- Attractive display of stock in and outside the shop.
- Sponsoring activities in the community advertising.
- Organizing competitions and offering prizes.
- Renovation of business premises.
- Offering after sales services.
- Attending trade fares and exhibition
- Establishing a one stop shop.
- Giving special price offers
- Opening very early in the morning and closing late in the evening.
- Exhibiting good customers care.

18. (a). **Kapere** (Shs 235,000)

Kapere does **NOT** pay any tax. He doesn't earn beyond the threshold.

**Kadoma** (shs 400,000)

$$\begin{aligned}
 \text{PAYE} &= \text{shs } 10,000 + 20\% \text{ of the amount by which chargeable income exceeds shs } 335,000 \\
 &= 10,000 + \frac{20}{100} (400,000 - 335,000) \\
 &= 10,000 + \left( \frac{20}{100} \times 65,000 \right)
 \end{aligned}$$

$$= 10,000 + 13,000$$

$$= \underline{\text{shs 23,000}}$$

**Kasodde** (shs 600,000)

PAYE = shs 25,000 + 30% of the amount by which chargeable income exceeds shs .....

$$= 25,000 + \frac{30}{100} (600,000 - 410,000)$$

$$= 25,000 + \left( \frac{30}{100} \times 190,000 \right)$$

$$= 25,000 + 57,000$$

$$= \underline{\text{shs 82,000}}$$

**Kabaata** (shs 11,000,000)

PAYE = shs 25,000 + 30% of the amount by which chargeable income exceeds shs 410,000 + 10% of the amount which exceeds shs 10,000,000.

$$= 25,000 + \frac{30}{100} (11,000,000 - 410,000) + \frac{10}{100} (11,000,000 - 10,000,000)$$

$$= 25,000 + \left( \frac{30}{100} \times 10,590,000 \right) + \left( \frac{10}{100} \times 1,000,000 \right)$$

$$= 25,000 + 3,177,000 + 100,000$$

$$= \underline{\text{shs 3,302,000}}$$

b) **Note: For VAT inclusive transactions use VAT rate:**  $\frac{18}{118}$

**Stage I**

VAT = Purchase price x VAT rate

$$= 9,000,000 \times \frac{18}{118}$$

$$= \underline{\text{Shs 1,372,881}}$$

**Stage II**

VAT = (output value — input value) x VAT rate

$$= (11,000,000 - 9,000,000) \times \frac{18}{118}$$

$$= 2,000,000 \times \frac{18}{118}$$

$$= \underline{\text{Shs 305,085}}$$

**Stage III**

VAT = (output value — input value) x VAT rate

$$= (14,000,000 - 11,000,000) \times \frac{18}{118}$$

$$= 3,000,000 \times \frac{18}{118}$$

$$= \text{Shs } 457,627$$

#### Stage IV

$$\begin{aligned} \text{VAT} &= (\text{output value} - \text{input value}) \\ &= (19,000,000 - 14,000,000) \times \frac{18}{118} \\ &= 5,000,000 \times \frac{18}{118} \\ &= \underline{\underline{\text{Shs } 762,712}} \end{aligned}$$

#### C (i) Gross rental income for the year =

Annual rental income for building A + Annual rental income for building B

Annual rental income for building A

$$= 10 \text{ rooms} \times 400,000 \times 12 \text{ months}$$

$$= \text{Shs } 48,000,000$$

Annual rental income for building B

$$= 8 \text{ rooms} \times 500,000 \times 12 \text{ months}$$

$$= \text{Shs } 48,000,000$$

$$\therefore \text{Gross rental income} = 48,000,000 + 48,000,000$$

$$= \text{shs } 96,000,000$$

#### ii) Rental income paid to URA by the partnership =

$$= 12\% (\text{rental income} - \text{threshold})$$

$$= \frac{12}{100} (96,000,000 - 2,820,000)$$

$$= \frac{12}{100} \times 93,180,000$$

$$= \text{shs } 11,181,600$$

$\therefore$  Rental income tax paid to URA by each partner =

$$\text{Maguja} = 11,181,600 \times \frac{2}{5}$$

$$= 4,472,640$$

$$\text{Shs } 4,472,640$$

$$\text{Wambwa} = 11,181,600 \times \frac{3}{5}$$

$$= \text{shs } 6,798,960$$

Customs value of the two buses =

C.I.F value x exchange rate

$$\text{C.I.F value for 2 buses} = 20,000 \times 2$$

$$= 40,000 \text{ dollars.}$$

$$\therefore \text{customs value} = 40,000 \times 4,000$$

$$= \text{shs } 160,000,000$$

d)i) Customs duty = customs value x customs duty rate

$$= 160,000,000 \times \frac{20}{100}$$

$$\text{Shs } 32,000,000$$

ii) Excise duty = customs value + customs duty) x Excise duty rate

$$= (160,000,000 + 32,000,000) \times \frac{15}{100}$$

$$= 192,000,000 \times \frac{15}{100}$$

$$= \text{shs } 28,800,000$$

iii) VAT = (customs value + customs duty + excise duty) x VAT rate

$$= (160,000,000 + 32,000,000 + 28,800,000) \times \frac{18}{100}$$

$$= 220,800,000 \times \frac{18}{100}$$

$$= \text{shs } 39,744,000$$

iv) Withholding tax = customs value x withholding tax rate

$$= 160,000,000 \times \frac{6}{100}$$

$$= \text{shs } 9,600,000$$

Value of the 2 buses in Uganda at the bus terminal = C.I.F value + total taxes

But total taxes = customs value + excise duty + VAT withholding tax

$$= 32,000,000 + 28,800,000 + 39,744,000 + 9,600,000$$

$$= \text{shs } 110,144,000$$

$$\therefore \text{The value of the 2 buses} = 160,000,000 + 110,144,000$$

$$= \underline{\underline{\text{Shs } 270,144,000}}$$

e) **Obligations of a tax payer.**

- Voluntary registration with URA.
- Filling tax returns regularly.
- Disclosing all the information about the business.
- Completing/filling all the necessary forms for tax payment.
- Keeping proper business records.
- Payment of the right amount of tax at the right time.
- Cooperating with URA.
- Respecting the URA staff.
- Dealing with the authorized staff.
- Responding to tax notices and other URA communications.

19. (a). An income statement is a financial statement prepared at the end of the trading period to determine the profitability of the business

### While

A cash flow statement is a monitoring tool that is used to show an entrepreneur's projected amount of cash flowing in and out of the business during a particular period of time.

**b) Ways of using cash surplus profitably.**

- Paying all creditors their outstanding bills in time to enjoy cash discounts.
- Replacing the worn out/old fixed assets with the newly bought ones.
- Diversifying business operations by investing in other different business.
- Depositing the surplus cash on fixed deposit account to earn interest.
- Buying shares in public limited companies to earn dividends.
- Intensifying on the sales promotion campaigns to increase sales.
- Lending the cash at high interest rate to earn profits.

**c) Cash flow plan for Bulemeezi Enterprises.**

**BULEMEEZI ENTERPRISES  
CASH FLOW STATEMENT  
FOR SEPTEMBER — DECEMBER 2024**

Details	September Shs	October Shs	November Shs	December Shs
Balance b/f	70,000,000	192,590,000	278,749,500	367,537,975
<b><u>Add cash inflows:</u></b>				
Cash sales	64,000,000	64,000,000	64,000,000	64,000,000
Sales of vehicle		24,000,000		36,000,000
Loan acquisition	21,000,000			
Receipts from debtors	11,000,000	44,000,000	44,000,000	44,000,000
Debenture		10,000,000		
Donation	<u>30,000,000</u>		<u>33,000,000</u>	<u>36,300,000</u>
Total cash inflows	<u>196,000,000</u>	<u>334,590,000</u>	<u>419,749,500</u>	<u>547,837,975</u>
<b><u>Less cash out flows:</u></b>				
Payment to creditors		45,000,000	22,500,000	22,500,000
Loan repayment		7,000,000	7,000,000	7,000,000
Interest on loan		420,000	280,000	140,000
Purchase of vehicle			20,000,000	
Electricity	210,000,000	220,500	231,525	243,101
Salaries	3,200,000	3,200,000	2,000,000	2,000,000
Interest on debenture			<u>200,000</u>	<u>200,000</u>
Total cash outflows	<u>3,410,000</u>	<u>55,840,500</u>	<u>52,211,525</u>	<u>32,083,101</u>
Net cash position	<b>192,590,000</b>	<b>278,749,500</b>	<b>367,537,975</b>	<b>515,754,874</b>

### **PART III (P230/3) SOLUTIONS**

**20. (a). Biashara is innovative in the business project in the following ways;**

- Business model innovation
- Service innovation.
- Product innovation.
- Supply chain innovation.
- Marketing innovation.
- Financial innovation.
- Process innovation.
- Organizational innovation.
- NB evidence is a must

**(b). Marketing decision areas to be met by Biashara in the marketing programs include;**

- Product.
- Price.
- Place / distribution.
- People.
- Promotion.
- Positioning.
- Packaging.
- Process.
- Planning.
- Physical evidence

**NB; Evidence is a must.**

**(c). Methods of sourcing employees the enterprise uses**

- Present employees.
- Friends.
- Media and internet.
- Trade unions / labour unions.
- Higher institutions of learning / universities.
- Competing organizations.
- Professional associations.
- Unsolicited applicants.

**(d). Benefits of the business enterprise to the community.**

- Provision of employment opportunities.
- Provision of goods and services.
- Provision of income to the community.
- Involving in community development programs.
- Enabling environmental conservation.
- Diversifying the local market place.
- Building community identity.

**NB Evidence is a must.**

**(e). Ways of promoting gender quality in the enterprise.**

- Carrying out sensitization.
- Availing equal job opportunities.
- Providing financial support to both men and women entrepreneurs.
- Recognizing the abilities and talents of female worker.
- Ensuring a two-way communication.
- Promoting political stability.
- Providing free education for both men and women.
- Ensuring that each member gets satisfaction from participating in any activity taking place.
- Offering recognition to outstanding women entrepreneurs.
- Avoiding discrimination in the labour market.

**(f). The entrepreneurial behaviors that he should have exhibited to remain competitive include;**

- Risk taking.
- Innovativeness.
- Aggressive competitiveness.
- Pro-activeness i.e. opportunity seeking.
- Autonomy i.e. independent action.

**(g). Lessons anyone can acquire from the case study.**

- Need for systematic planning in the business.
- It is important to motivate employees.
- Having a time frame for business operations or existence.
- Enabling community acceptance and involvement.
- Diversification of production.
- Mutual agreement is necessary in the enterprise.

**NB. Do not personalize the points.**

**SECTION B: SCHOOL BUSINESS CLUB**

**21. Describing the business involves the following;**

- The business name and address.
- Business location.
- Products and services offered.
- Purpose of the business i.e. vision, mission, goals, objectives and core values.
- Date of establishment.
- Sources of funds / capital.
- Target customers.
- Nature / type / legal form of the business.
- Uniqueness of the business.
- Fixed assets or premises.
- SWOT analysis.

**NB. Evidence is a must.**

**(b) The marketing activities of the business include;**

- Determining who the business customers are.
- Determining customers' needs.
- Designing and developing products that meet customers' needs.
- Distribution.
- Pricing.
- Advertising and sales promotion.
- Selling.
- Ensuring customer care.
- Conducting market research.

**NB Evidence is a must.**

**(c). Ways of monitoring business operations include;**

- Using the profit targets.
- Daily attendance registers for students.
- Using books of accounts.
- Using a balance sheet.
- Using sales targets.
- Using production targets.
- Using operational budgets
- Using departmental reports.
- Using cash flow statements.

**NB. Evidence is a must.**

**(d). The business secrets maintained include;**

- Essential documents.
- Financial aspects.
- Cheaper sources of inputs.
- Customer lists.
- List of suppliers.
- Marketing strategies or techniques.
- Technology policies e.g. software and computer programs.
- Production processes.

**NB; Evidence is a must.**

**(e). Factors considered when selecting a business opportunity include;**

- Availability of startup capital.
- Size of the market gap.
- Availability of skills.
- Income potential of the opportunity.
- Return on investment.
- Time factor.

**NB; Evidence is a must.**



**22. (a) refer to the above question, part (a)**

**(b) Steps followed in the purchasing plan of the enterprise include;**

- Determining the needs of the business.
- Identifying potential suppliers.
- Contacting the suppliers.
- Selecting the best supplier.
- Ordering for goods.
- Checking the goods as soon as they are received.
- Checking the invoice for accuracy.
- Making payments to the supplier.

**NB. Evidence is a must.**

**(c) business records kept by the project included;**

- Assets register or records.
- Bank records.
- Cash records.
- Creditors' records.
- Debtors' records
- Profits and losses records
- Inventory / stock records.
- Customers' records.
- Staff / membership records.

**NB. Evidence is a must.**

**(d). The following are the reasons for the need for quality control;**

- To control customer loyalty.
- To enable production of quality products.
- To comply with the set standards.
- To give the business a better competitive edge.
- To reduce costs in the business.
- To improve on the image of the project.
- To facilitate standardization.

**NB: Evidence is a must.**

**(e) Measures put in place to maintain customers include;**

- Providing sales prices.
- Price deduction / everyday low prices.
- Treating customers with respect.
- Improving quality of the products.
- Motivating workers.
- Creating a good business image.
- Having appropriate salesmen to carry out sales.
- Offering discounts.
- Using attractive or proper packaging for the products. Etc

**NB; Evidence is a must.**

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

### **23. (a) Presentation of the general description of the business include;**

- Name and address of the business.
- Business location.
- Goods and services offered.
- Purpose of the business.
- Sources of funds.
- Date of establishment.
- Legal form of the business.
- Target market or customers served.
- Premises or assets of the business.
- Uniqueness of the business.
- SWOT analysis.

**NB; Evidence is a must.**

### **(b) Benefits enjoyed by the enterprise for observing business ethics.**

- Increases the profits of the enterprise.
- Leads to societal recognition.
- Enables the enterprise to win government support.
- Helps the enterprise to operate with the moral and legal framework.
- Increases the sales or the turnover of the business.
- Builds the image of the business and its reputation.
- Enables the entrepreneurs to engage in fair trading practices.
- Enables the enterprise to be trustworthy and recognize the customers as the kings.

**N.B; Evidence is a must.**

### **(c) After sales services the business offers to the customers.**

- Free packaging.
- Free delivery.
- Guarantee or warrantee.
- Free installation.
- Offering loyalty programs.
- Giving customer rewards.
- Training of customers.
- Free maintenance or repairs during warrantee period
- Acceptance of the goods returned and fixing the problem.

**N.B Evidence is a must.**

### **(d) Measures the business uses to ensure proper control of its physical assets.**

- Using access control systems.
- Conducting regular inspections and assessments.
- Motion detections and alarm systems.
- Security lighting.
- Securing data regarding physical assets.
- Asset tracking.

- Identifying potential failures and risks.
- Securing personal equipment.

**N.B Evidence is a must.**

**(e) Advice to the proprietor on the importance of paying taxes promptly.**

- Wins customers' trust and confidence.
- Enables continuity of the business.
- Protects the entrepreneur from imprisonment.
- Minimizes costs that may be a result of paying fines.
- Improves the reputation and image of the business.
- Enables the business to win government tenders and contracts.
- Prevents the business assets from being auctioned.

**24. (a). Describing the nature involve the following features  
(refer to the above question, part (a))**

**(b). benefits of the source documents being used in the enterprise include;**

- Requests for the supply of goods / raw materials.
- Shows the condition of goods delivered.
- Shows goods sold on credit.
- Clears or authorizes payments.
- Act as proof of payment.
- Summarizes the transactions between the enterprise and other businesses.
- Aids payments to creditors.
- Aid correction of overcharge and undercharge on the invoice.

**N.B; Evidence is a must.**

**(c). Policies for promoting good employee relations in the enterprise include;**

- Giving fair recommendations.
- Respecting its workers.
- Ensuring job security.
- Ensuring effective communication.
- Avoiding discrimination at the work place.
- Recognizing and appreciating workers.
- Ensuring safe working environment.
- Ensuring training of workers.
- Providing protective gears. Etc.

**N.B; Evidence is a must.**

**(d). The business minimizes production costs in the following ways;**

- Employing part-time workers or employees.
- Buying raw materials from cheaper sources.
- Avoiding unnecessary costs.
- Using quality raw materials.
- Training of employees.
- Monitoring and supervising production costs.
- Undertaking market research.

- Giving specific duties and responsibilities to each employee.
- Setting up quality standards to be achieved.
- Observing technical specifications regarding quality and quantity.

**N.B Evidence is a must.**

**(e). Ways of improving the performance of the business.**

- Improving operational efficiency.
- Building a strong culture.
- Implementing effective communication.
- Improving employee productivity and engagement.
- Implementing a data driven decision-making process.
- Managing risks effectively etc.

**N.B Evidence is a must**

**END**