

SAMPLE EXAM 2026

UACE ENTREPRENEURSHIP EDUCATION

PAPER 2 (P230/2)

Time: 3 hours

Instructions:

- *This paper contains two sections. Section A is compulsory. Attempt two Items from section B*

Section A: compulsory

Item 1: The School Business Clubs

The **"Unity Bakers" School Business Club** produces high-quality doughnuts for the student community. Despite high demand, the club is facing a crisis: students often complain that the doughnuts are sometimes burnt or arrive late for break time. Furthermore, the club members (students) are frequently skipping their production shifts, claiming the work is too tiring and disorganized.

The Club President has drafted a **Business Plan** to buy a modern electric oven to replace the charcoal stoves, but the School Patron is hesitant to approve it until the club improves its internal management.

Task:

Help the Club's Production Manager, prepare a report for the School Patron addressing the following:

- Identify the quality control measures the club should implement to ensure the doughnuts are consistent in taste and timing.

- b) Suggest the strategies to motivate club members and ensure they attend their shifts regularly without feeling overwhelmed.
- c) Explain how the proposed purchase of an electric oven will impact the **Operational Plan** and the **Financial Plan** sections of the club's existing Business Plan.

Item 2: Field Trips

During a field trip to "**Kampala Modern Bottlers Ltd,**" a local fruit juice processing plant, students observed the entire value chain—from receiving raw passion fruits to the final branded bottles. The Production Manager highlighted that they recently switched from a "Job Production" method (small custom batches) to "Batch Production" to meet growing demand. However, the Marketing Manager mentioned that while production is high, they are struggling to penetrate the "Upcountry" (rural) markets due to high distribution costs and low brand awareness.

Task:

Based on your observations and the managers' briefings during field trips:

- a) Explain **three** advantages and **three** disadvantage of the company's shift from "Job Production" to "Batch Production."
- b) Identify **four** types of production costs the company incurs that could be classified as "Fixed Costs."
- c) Describe an appropriate **Channel of Distribution** the company should use to reach rural customers in Uganda without incurring excessive transport costs.
- d) Suggest **four** creative "Below-the-Line" marketing techniques the juice plant can use to build brand loyalty in new regions.

SECTION B: Attempt any two Items

Item 3: School Business Clubs

With reference to a business project owned by your School Entrepreneurship Club.

- a) Describe the enterprise.
- b) How innovative were you in the business?
- c) Mention the business secrets you maintained.
- d) What market gaps did you try to fill?
- e) How did you raise start-up capital?

Item 4: School Business Clubs

In relation to a business enterprise started and managed by your School Entrepreneurship Club;

- a) State the form of business and the product / service offered.
- b) Describe the project
- c) List the ways in which the school administration supported your enterprise
- d) Describe how inventory is/was managed in your business.
- e) Mention the business records you kept/keep.

Item 5: Field trips:

In relation to any business field trip you made as an individual or as a group.

- a) Describe the business you visited.
- b) Describe the factors the entrepreneur considered when determining the size of the enterprise.
- c) How does the proprietor improve performance of the business?
- d) Explain the strategies the business owner employs to make the products unique and appealing to customers.
- e) Advise the entrepreneur about how to ensure proper management of financial resources?

END