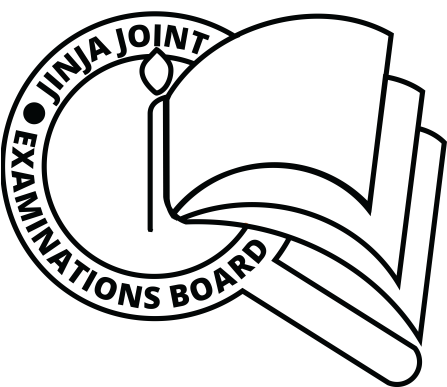
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ENTREPRENEURSHIP

EDUCATION

Paper 2

AUGUST, 2019



JINJA JOINT EXAMINATIONS BOARD

Uganda Advanced Certificate of Education

MOCK EXAMINATIONS – AUGUST, 2019

ENTREPRENEURSHIP

EDUCATION

Paper 2

3 hours

INSTRUCTIONS:

1. *Attempt* **four** *questions only.*
2. *All questions**carry equal marks.*
3. *Credit will be awarded for use of relevant examples and illustrations.*
4. *Any additional question(s) attempted will* **not** *be marked.*

1. You have been appointed a Human Resource Manager for a meat processing factory processing factory which is experiencing challenges such as indiscipline among its employees

(a) Draft a questionnaire to establish the causes of indiscipline among employees. (7 marks)

(b) Develop a job application form to be used in recruitment of new employees. (6 marks)

(c) Formulate staff rules and regulations to govern the discipline of factory employees. (7 marks)

(d) Design a new arrival book for employees. (5marks)

2. You have teamed up with other youths in the community to establish a savings and society (SACCO)

(a) Design a deposit slip for business use. (6 marks)

(b) Prepare a pre-operating expenses budget for the SACCO. (7marks).

(c) Write a letter inviting the District cooperative Officer to officiate the launching of SACCO operations. (6 marks)

(d) Formulate loan management policy guidelines to be observed. (6 marks)

3. You are the marketing manager of a firm dealing in purchase and sale of Kitchen ware on both cash and credit basis.

1. Prepare a marketing plan for the business. (6 marks)
2. Present an advert to promote business products. (6 marks)
3. Design an invoice for business use. (5marks)
4. Draft policy guidelines for developing an effective marketing strategy. (7 marks)

4. You are provided with the following information extracted from the books of NGULE at the end of his trading period on 30/06/2018

|  |  |
| --- | --- |
| **Details** | **Shs.** |
| Stock (30/06/2018) | 4,000,000 |
| Stock (1/07/2017) | 5,000,000 |
| Total operating expenses | 2,000,000 |
| Rate of turnover | 2.67 times |
| Net sales | 20,000,000 |
| Profit margin | 40% |
| Creditors | 3,000,000 |
| Debtors | 1,500,000 |
| Total fixed assets | 8,000,000 |
| Cash at hand | 1,200,000 |
| Cash at bank | 1,300,000 |
| Outstanding salaries | 1,000,000 |

**REQUIRED**

1. Calculate the value of:

(i) Cost of sales (4 marks)

(ii) Goods available for sale (4 marks)

(iii) Employed capital (5marks)

(b) Calculate and interpret

(i) Net profit margin (5 marks)

(ii) Average credit period (4 marks)

(iii) Cash ratio (3 marks)

5. You are engaged in the processing and packaging of milk products.

(a) Formulate policy guidelines for ensuring quality products in your business. (7marks)

(b) Write a document to correct the error of under charge on a customers’ invoice. (5 marks)

(c) Design a daily work schedule for the business workers.

(d) Develop a plan for recovering money from business debtors.

6. (a) As an expert in taxation matters;

(i) Present a speech to the business community about their obligations as tax payers. (5 marks)

(ii) List any three tax exempt incomes of employees. (3 marks)

(b) The following monthly salaries and allowances are paid to different employees of kayanja Hardware Enterprises have been availed to you.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Employee Name | Basic salary (shs) | Taxable Allowances (shs) | | |
|  |  | **Medical** | **Transport** | **Housing** |
| Tulyambala | 2,000,000 | 250,000 | 150,000 | 300,000 |
| Melon | 900,000 | 200,000 | 150,000 | 250,000 |
| Suunju | 600,000 | 150,000 | 150,000 | 200,000 |
| Otto | 11,000,000 | 300,000 | 150,000 | 500,000 |

Using the monthly PAYE tax rate shown in the table below, Calculate each employee’s PAYE tax contribution to URA . (13 marks)

|  |  |  |
| --- | --- | --- |
| Tax bracket | Monthly Payment (shs) | Tax rate |
|  | Exceeding shs. 410,000 | (a) Shs. 25,000+30% of amount exceeding shs. 410,000  (b)Where chargeable income exceeds shs. 10,000,000 an additional 10% is charged on the amount exceeding shs. 10,000,000 |

(c) State any 4 negative effects of taxation on business operations.

(4 marks)