P230/2

**ENTREPRENEURSHIP**

**EDUCATION**

**PAPER** **2**

JULY/AUGUST 2016

3 HOURS

NTUNGAMO PRIVATE SECONDARY SCHOOLS

JOINT MOCK EXAMINATIONS

Uganda Advanced Certificate of Education

**ENTREPRENEURSHIP EDUCATION**

**PAPER 2**

3 HOURS

**INSTRUCTIONS TO CANDIDATES:**

* Answer **four** questions only
* All questions carry equal marks
* Credit will be given for use of relevant diagrams and illustrations.
* Any additional question(s) answered will not be marked.

1. You are the purchasing manager of success confectionary. The business is in

process of expanding its scale of production:

(a). Send an inquiry to the supplier of raw materials **05mks**

(b). Develop guidelines for selecting machinery and equipment. **08mks**

(c). Prepare an organizational plan for the business **06mks**

(d). Make brochures to advertise your services **06mks**

2. You are operating a super market. The National Environment Management Authority (NEMA) has passed a law banning the use of polythene bags (Kaveera) because of its dangers to the environment.

(a). Outline the alternative packaging materials you are to use following the NEMA

directives**. 05mks**

(b). Design a label you will put on the packaging materials**. 06mks**

(c). What factors will you consider when choosing the packaging materials to use in your super market? **08mks**

(d). Write a notice informing your staff of the NEMA directive  **06mks**

3. You are a large scale farmer growing sim-sim and due to large scale production

You have decided to process and pack sim-sim paste.

(a). What factors would you consider when recruiting workers for your business?

**06mks**

(b). Design a job description for the post of sales manager. **05mks**

(c). Design a reception register for your business **06mks**

(d). Prepare one day induction programme for the newly recruited workers. **08mks**

4. You are operating a business which deals in sale of cosmetics. It was reported that

your workers lack good customer care, no wonder you have noted gradual decline

in sales.

(a). Develop a root cause analysis for the declining sales **06mks**

(b). Develop a consumer satisfaction survey tool to be used by the business

**06mks**

(c). Propose guidelines for ensuring good customer care**. 08mks**

(d). Design a market flow chart for your business **05mks**

5. A retail business had the following information in the year ended 30. 06.2012

**Particulars. Shs.**

Sales3,600,000=

Land and buildings 790,000=

Capital 1,200,000=

Plant and machinery 600,000=

Bank loan 1,430,000=

Motor cycle 320,000=

Drawings 260,000=

Furniture 400,000=

Net profit for the year 600,000=

Closing stock( 30.06.2012) 600,000=

Creditors 540,000=

Debtors 500,000=

Bank overdraft (in land Bank) 400,000=

Bank balance (coastal Bank) 360,000=

Cash balance 350,000=

Required:

(a). Prepare the balance sheet as at 30. 06. 2012 **16mks**

(b). Calculate:

(i). Working capital ratio **03mks**

(ii). Return on capital employed  **03mks**

(iii). Average collection period **03mks**

6. Uganda Revenue Authority (URA) is a body in Uganda responsible for assessing,

collecting and managing both local and foreign trade taxes. However, Uganda

traders especially the Kampala City Traders Association (kacita) members have

complained about URA claiming that the body is unfair to them. This has forced many traders to either evade or avoid taxes. This however violates the tax law which requires all the traders to be tax complaint.

KACITA has approached you to;

(a). Explain to the traders the meaning of the following terms:

(i). Tax evasion **02mks**

(ii). Tax avoidance **02mks**

(iii). Tax complaince **02mks**

(b). Outline the

(i). Foreign trade taxes collected by URA **03mks**

(ii). Local trade taxes collected by URA **03mks**

(c). If Katwena an importer, imports a machine from china at CIF value of 500

(USD) and the machine attracts import duty of 25%, excise duty of 50%, VAT

18% and withholding tax of 6%

(a). VAT payable **07mks**

(b). Withholding tax **03mks**

(c). Total amount of tax payable by Katwena exchange rate is shs 2500/= per US

Dollar. **03mks**

**END**