

END OF TERM I 2022

ENTREPRENEURSHIP EDUCATION

PAPER ONE

SENIOR FOUR

TIME: 2 ½HRS.

INSTRUCTIONS: *Answer any four questions.*

All questions carry equal marks.

1. You have started a carpentry workshop in your home town.

- (a) Explain the business ethics exercised by the business towards its customers. (6mks)
- (b) Present the general description of the project. (6mks)
- (c) Give the different examples of visual communication to be used by the business. (5mks)
- (d) Design an invoice to be issued to your credit customers. (8mks)

2. The following information was extracted from the books of Kasema as at 31st December 2016.

Items	Shs.
Furniture	1,200.000
Sales	3,600.000
Purchases	2,300.000
Land and buildings	790.000
Capital	1,140.000
Premises	600.000
Bank loan	1,400.000
Motor cycle	320.000
Drawings	260.000
Machinery	400.000
Creditors	540.000
Debtors	500.000
Bank overdraft	400.000
Bank balance	360.000
Cash balance	350.000

Required;

- i) Extract a trial balance as at 31.Dec 2016. (10mks)
- ii) Prepare an income statement for the year ended 31st Dec 2016.(15mks)

3. You have acquired a loan of Shs 10,000.000 from DFC bank to expand your fruit processing project payable in five equal installments at an interest rate of 5% on reducing balance method.

- a) Prepare a loan repayment schedule. (7mks)
- b) Give other six business opportunities you can start using the loan apart from fruit processing. (6mks)
- c) Explain the factors you considered when selecting packaging materials for the products. (7mks)
- d) How do you promote the products of the project? (5mks)

4. Sheebah Aliyah is a trader in Ntinda. Her business is VAT registered. The following transactions appeared in her books for the months of Jan, 2016.

No.	PRODUCTS	PURCHASES SHS VAT EXCLUSIVE	SALE(SHS)VAT
1.	Apples	4,000.000	9,000.000
2.	Pineapples	4,500.000	6,500.000
3.	Pawpaw	9,000.000	14,000.000
4.	Mangoes	8,000.000	12,000.000
5.	Oranges	12 000.000	18,000.000
		37,500.000	59,500.000

(a) Calculate;

- i) VAT paid by Aliyah on each type of product. (15mks)
- ii) Compute VAT paid to URA (3mks)

- b) Namusoke is an employee of an NGO and she earns Shs 8000.000 per year.
The company uses monthly pay-tax rates below to calculate PAYE deductions.

MONTHLY CHARGEABLE INCOME	RATE OF TAX
Not exceeding Shs 215.000	NIL
Exceeding Shs 235.000 but not exceeding Shs 335.000	10% of the amount by which chargeable income exceeds Shs 235.000
Exceeding 335.000 but not exceeding 410.000	Shs 10.000 plus 20% of the amount by which chargeable income exceeds Shs 335.000
Exceeding Shs 410.000 but not exceeding Shs 1000.000	(i) Shs 25.000 plus 30% of the amount by which chargeable income exceeds Shs 410.000. (ii) Where chargeable income exceeds Shs 1000.000, additional 10% is charged.

- (i) Calculate Namusoke's monthly PAYE deduction. (7mks)

5. You have decided to start a soap making project in your school.

- (a) Design a questionnaire you will use to make research. (6mks)

- (b) Explain the factors you will consider when deciding on the number of employees to recruit in the project. (6mks)

- (c) Make an advert for your business products. (7mks)

- (d) Suggest measures you are to take to achieve maximum output. (6mks)

GOOD LUCK