

P230/2
ENTERPRENEURSHIP
PAPER 2
July/August 2023
3 Hours

KABALE DISTRICT JOINT MOCK EXAMINATIONS 2023
UGANDA ADVANCED CERTIFICATE OF EDUCATION
ENTERPRENEURSHIP.
PAPER 2
TIME: 3 Hours

INSTRUCTIONS TO CANDIDATES:

- Attempt only four questions.

Turn Over

1. You are engaged in the processing and packing of fruit juice in your home town.
 - a) Make a program for purchasing business requirements (07 Marks)
 - b) Prepare management plan for the business (06 Marks)
 - c) Present guidelines for presenting business product (06 Marks)
 - d) Design a business card for the sales manager (06 Marks)
2. You are operating a construction company and you have won a tender for constructing a four classroom block in your district local government
 - a) Prepare terms and conditions to be included in the contract (07 Marks)
 - b) Make a job advert for the position of a site engineer (07 Marks)
 - c) Design a job application form for the applicants (05 Marks)
 - d) Draw a program for the induction of newly recruited employees (06 Marks)
3. You have raised shs. 60,000,000/= to establish a small scale tea processing project.
 - a) Draft a report to the general manager explaining poor performance of business. (05 Marks)
 - b) Present fixed and working capital budget for the business. (07 Marks)
 - c) Design a stock issue form for accessing materials to use from the stores. (06 Marks)
 - d) Develop motivational policy for your workers. (07 Marks)
4. You are a human resource manager in a dairy processing plant.
 - a) Develop instructions for ensuring gender partnership. (06 Marks)
 - b) Draft a job specification for a sales manager (07 Marks)
 - c) Design a daily work schedule for the workers (06 Marks)
 - d) Present personal entrepreneurial skills you will use to make your business successful. (06 Marks)
5. The following income statement was extracted from the books of BAREME on 30/06/2022.

	Shs 000 ¹	Shs 000 ¹
Sales		200,000
Stock (1.7.2021)	50,000	"
Net purchases	110,000	
Goods available for sale	160,000	
Stock (30/6/2022)	(40,000)	
Cost of sales		(120,000)
Gross profit		80,000
Total operating expenses		(60,000)
Net profit		20,000

The following balances were also available;

Total debtors	shs. 20,000,000=
Total current assets	shs. 70,000,000=
Total current liabilities	shs. 35,000,000=
Total fixed assets	shs. 50,000,000=

Calculate and interpret;

- i. Working capital ratio (04 Marks)
 - ii. Debt collection period (in weeks) (04 Marks)
 - iii. Debtors to sales ratio (04 Marks)
 - iv. Rate of stock turn (05 Marks)
 - v. Net profit margin (04 Marks)
 - vi. Total assets turnover ratio (04 Marks)
6. The following projections relate to MANDELA ENTERPRISES during the month of January 2019.
- i. On 31/Dec/2018, the Enterprise had cash and bank balance of shs. 40,000,000
 - ii. The business expected monthly cash sales of shs. 8,000,000
 - iii. Monthly credit sales were projected at shs. 2,500,000 for which payment were to be made the following month.
 - iv. Rent received on 31.12.2018 was cash of shs. 600,000= but this was to be increased by 10% monthly.
 - v. Monthly cash purchases were projected at shs. 7,000,000=
 - vi. Monthly water bill was projected at shs. 3,000,000=
 - vii. Motor vehicle worth shs. 6,000,000 was to be bought in January 2019 and cash payment of shs. 3,800,000= be made and the balance was to be paid in instalment of 60% and 40% in the next months.
 - viii. The business was to get a loan of shs. 5,000,000= in the month of February. 5% interest on loan was to be paid after one month of grace period on reducing balance. Loan is payable in 2 equal instalments after one month of acquisition.

- ix. Credit purchases of shs. 30,000,000 were made in January. However, the business has a policy of paying for credit purchases in 3 equal monthly instalments after one month.
- x. The business has 10 workers and each worker is paid monthly salary of shs 300,000, however in April more 10 workers were recruited.
- xi. The business was to sell old computers worth shs. 800,000 in January, receiving only shs. 500,000 and balance in two equal instalments in the following months.

Required;

- a) Prepare a cash flow plan for the four months of MANDELA ENTERPRISE.
(21 Marks)
- b) Advise MANDELA on various ways of managing business cash. (04 Marks)

END