

# UACE EXAMINATIONS

**P230/2**

**Entrepreneurship Education**

**Paper Two**

**3 hours**

## **Instructions**

*Attempt any **four** questions only*

*Cross through any work you want not marked*

1. You are operating a construction firm and you have got a tender to construct a 10km road in your district.
  - (a) Write an acceptance letter to the District tender board (05marks)
  - (b) Develop the terms and conditions of the contract between your business and the district tender Board. (07marks)
  - (c) Design a stock requisition form for use in your business. (06marks)
  - (d) Draw a plan for recovering money from business debtors. (07marks)
  
2. You engaged in the production and packing of different brands of wines.
  - (a) Develop a brand label to be placed on the one of your packing materials (06marks)
  - (b) Develop a policy for proper handling of business machinery. (07marks)
  - (c) Prepare a production plan for your business. (07marks)
  - (d) Write a document to correct an error of overcharge on the customer's invoice. (05marks)
  
3. You have established a social enterprise aimed at minimizing levels of malaria in your community.
  - (a) Develop a root cause analysis tool for malaria. (06marks)
  - (b) Present a GEPIC structure advocacy for promoting your enterprise mission. (06marks)
  - (c) Formulate guidelines for enhancing creativity in your enterprise. (07marks)
  - (d) Design a Newspaper advert for the post of the Accountant in your enterprise. (06marks)
  
4. You established a metal fabrication project in your home town.
  - (a) Advertise a tender for the supply of the business requirements. (06marks)
  - (b) Prepare a budget for the fixed capital requirements of the business. (06marks)
  - (c) Develop a programme Training business workers. (07marks)
  - (d) Draft instructions for managing workers' welfare. (06marks)

5. You are provided with the following information extracted from the books of Bossa at the end of his Trading period on 30<sup>th</sup> /06/2018.

Stock (30/06/2018)	Shs 4000,000
Stock (01/07/2017)	Shs 5,000,000
Total operating expenses	Shs 2,000,000
Rate of turnover	2.67times
Net sales	Shs 20,000,000
Profit margin	40%
Creditors	Shs 3,000,000
Debtors	Shs 1,500,000
Total fixed Assets	Shs 8,000,000
Cash at hand	Shs 1,200,000
Cash at Bank	Shs 1,300,000
Commission received in advance	Shs 1,000,000

**REQUIRED TO;**

(a) Calculate the value of;

- (i) Cost of sales (04marks)
- (ii) Goods available for sale (04marks)
- (iii) Employed capital (04marks)

(b) Calculate and interpret;

- (i) Net profit margin (03marks)
- (ii) Cash ratio (03marks)
- (iii) Working capital ratio (03marks)

6. a) The following income earners earned different incomes in the year 2018

<b>Income Earner (Tax payer)</b>	<b>Employment income (Shs)</b>	<b>Business income (Shs)</b>	<b>Property income (Shs)</b>
Ssozi	10,000,000	25,000,000	6,000,000
Agaba	8,000,000	20,000,000	7,000,000
Cohen	11,000,000	23,000,000	8,000,000
Arianah	14,000,000	25,000,000	10,000,000
Bonny	6,000,000	17,000,000	9,000,000

The tax exempt income for each income earner is 10% of total income. Total losses and expenses take 12% of total income for each income earner.

Calculate each income earners;

(i) Gross income (10marks)

(ii) Chargeable income (10marks)

b) Goloba is a landlord collecting money from 12 tenants each paying rent worth 600,0000 per month. In the year 2018, all tenants cleared their rent dues except 2 who left after clearing September.

Basing on the rental income thresh hold at Shs 2,820,000 annually,

Calculate Goloba's;

(i) Annual rental income for 2018. (2marks)

(ii) rental income tax liability to URA for the year 2018 (03marks)