

KIIRA COLLEGE BUTIKI

Uganda Advanced Certificate of Education

ENTREPRENEURSHIP

EDUCATION

Paper 2

Lock down revision questions

1. You are a marketing manager for a mineral water company in your district. You have identified weaknesses in marketing of the productions.
 - a) Draft a customer questionnaire for establishing the causes of low sales of business products. (06 marks)
 - b) Prepare a job specification for the incoming sales manager. (06 marks)
 - c) Advise management on strategies to be followed to improve on sales of business products. (07 marks)
 - d) Presents daily distribution schedule for business products. (06 marks)
 2. You have been appointed a managing Director of a firm dealing in the production of tinned fish which is experiencing inadequate monitoring and supervision.
 - a) Develop guidelines for staff to ensure proper code of conduct for the employees. (07 marks)
 - b) Write a warning letter to a sales assistant who has failed to meet the performance targets of the business. (06 marks)
 - c) Design a time sheet for use in the business. (06 marks)
 - d) Draft a one day's training programme for your employees. (06 marks)
 3. You are engaged in the production and packaging of Groundnuts and simsim paste in your town.
 - a) Design a brand label to be placed on the container of packaging materials. (07 marks)
 - b) Prepare a financial plan for the business. (07 marks)
 - c) Customers have raised complaints about salesperson. Write a memo to the marketing manager to address customers complaints. (06 marks)
 - d) Draw a marketing budget of shs. 20 millions for a month. (05 marks)
 4. You own a construction company which has won a contract to build a school canteen.
 - a) Design a contract information board to be placed at the project site. (06 marks)
 - b) Formulate terms and conditions to be included in the contract agreement. (07 marks)
 - c) Prepare an invitation for bids to supply construction inputs. (06 marks)
 - d) Design a stock requisition form to be used in the business. (06 marks)
 5. The following balances were extracted from the financial statement of Nalufenya Enterprises at the end of 2016.
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Particular	Shs
Cash	2,010,000
Bank	(600,000)
Sales	35,000,000
Purchase	9,500,000
Average stock	4,000,000
Rate of stock turn	5 times
Fixed Assets	5,000,000
Accounts payable	450,000
Closing stock	2,500,000
Accounts receivable	6,590,000
Total operating expenses	8,750,000
Interest receivable due	50,000

Required to:-

a) Calculate:-

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|----------------------|------------|
| (i) Cost of sales | (02 marks) |
| (ii) Gross profit | (02 marks) |
| (iii) Net profit | (02 marks) |
| (iv) Opening stock | (02 marks) |
| (v) Net profit ratio | (02 marks) |
| (vi) Working capital | (03 marks) |

b) Compute and interpret

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| (i) Stock/ Holding period in weeks | (03 marks) |
| (ii) Rate of creditors turnover | (03 marks) |
| (iii) Quick Asset ratio | (03 marks) |
| (iv) Debtors collection period in days | (03 marks) |

6. The following projections relate to Kakira Enterprises during the months of May, June, July and August 2017.

- (i) On May 1, 2017 the enterprise had a cash balance of Shs. 40,000,000 and Bank balance of Shs. (8,000,000).
- (ii) Outputs of 600 units, 650 units, 750 units and 950 units each at Shs. 1,200 were to be sold in the months of May, June, July and August on cash basis.
- (iii) Monthly credit sales were projected to be 25% of cash sales but payment would be received next month less 5% discount.
- (iv) Donations were projected as follows;-

Month	Shs
May	1,000,000
June	1,800,000
July	1,500,000
August	3,000,000 (inform of physical goods)

- (v) The business receives monthly rent income from its property. Rent received on 30th. June was Shs. 600,000 but this was expected to increase by 10% after one month.
- (vi) Inputs of 500 units, 800 units, 1100 units and 1400 units each at Shs. 950 were to be purchased on cash basis.

- (vii) Monthly expenses were projected as follows;-

Expenses	Shs
Utilities	250,000
VAT	180,000
Advertising	100,000

In July, no VAT was paid.

- (viii) Credit purchases of Shs. 900,000 were made in June. The business has a policy of paying for credit purchases in 2 equal installments after one month.
- (ix) The business has a policy of paying a 5% sales commission on total monthly sales. No commission was paid in the first 2 months.

You are required to;-

- a) Prepare Kakira Enterprises' cash flow statement for four months (21 marks)
- b) Advise Kakira Enterprises on various ways of managing business cash surpluses (04 marks)