

P230/2  
ENTREPRENEURSHIP  
EDUCATION  
Paper 2  
3 hours

WAKISSHA

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 the use of relevant diagrams and illustrations.
- Any additional question(s) answered will **not** be marked.

1. You have established a vocational training center project for Carpentry and Joinery to improve skills and fight poverty among the youths in the community.
  - a) Write a theory of change followed to achieve your vision. (6marks)
  - b) Present a sustainability plan for your project. (7marks)
  - c) Draft guideline for ensuring proper utilization of project proceeds. (7marks)
  - d) As a social entrepreneur, how do you benefit from enterprise mapping? (5marks)
2. You operate a transport service business for hire and delivery of products in your home area.
  - a) Design a job application form for use in the human resource department. (7marks)
  - b) Present a certificate of appreciation for one of your drivers for his excellent services. (5marks)
  - c) Prepare a weekly vehicle service schedule followed in your business. (6marks)
  - d) Write down guidelines followed to maintain acceptable behavior among workers. (7marks)
3. You own a milling plant which is growing rapidly and expanding, so you wish to register it as a company.
  - a) Draw the plant layout of your milling plant. (5marks)
  - b) Prepare a program followed in purchasing business raw materials. (7marks)
  - c) Present a SOWT analysis of your business. (6marks)
  - d) Write down guidelines observed for proper management of inventory. (7marks)
4. Your restaurant has of recent registered reduced sales and so as a marketing manager you have been tasked to establish the cause.
  - a) Present a report of your findings to the general manager. (7marks)
  - b) Draft a program for ensuring a profitable business. (7marks)
  - c) Formulate guidelines for enhancing effective marketing strategies. (6marks)
  - d) Design a MENU card for the business. (5marks)
5.
  - a) Pay As You Earn (PAYE) is an example of a progressive tax. Using your knowledge of taxation, explain the attribute of a good tax. (6marks)
  - b) Max is an operations manager of KKB beverages. In the month of October 2020 he earned a basic salary of Shs. 10,000,000. In addition he received a monthly medical allowance of Shs. 2,000,000, transport allowance of Shs. 1,000,000 and received re-imbursement of Shs 500,000. Given the rates below.

Above Shs. 410,000	a) Shs.25, 000 plus 30% of the amount exceeding Shs. 410,000.
	b) Where chargeable income exceeds Shs.10,000,000 an additional 10% is charged on income exceeding Shs. 10,000,000.

- Compute; i) Max's gross income (2marks)  
 ii) His tax liability for the month of October (5marks)
- c) Having completed his dream project, Mukisa now earns shs 80,000,000 annually from MUKISA Apartments. Given 20% as provision for expense and losses, shs 2,820,000 as tax fee allowance and 20% rental tax rate, compute
    - a) Net chargeable income (3marks)
    - b) Rental tax payable (3marks)
    - c) What measures can be taken to encourage tax compliance in the country?(6marks)

6. The following information was availed by the books of SUUBI enterprises for the year 2019.

ITEMS	AMOUNT SHS
Opening stock	3,500,000
Closing stock	3,230,000
Sales	10,500,000
Purchases	5,400,000
Debtors	2,100,000
Creditors	1,420,000
Carriage in wards	340,000
Motorman	8,200,000
Equipment	1,945,000
Returns inwards	234,000
Return outwards	170,000
Rent and rates	543,000
Postage	190,000
Insurance	690,000
Motor expenses	200,000
Capital	17,000,000
5 year loan	3,000,000
Drawings	1,250,000
Additional information was also provided	
Rent prepared was worth	45,000
Postage arrears amounted to	20,000
Insurance owing was	45,000

Calculate

- a) Cost of sales (3marks)
- b) Gross profit (3marks)
- c) Net profit (3marks)
- d) Net profit ratio (3marks)
- e) Working capital ratio (3marks)
- f) Markup (2marks)

Compute and interpret

- a) Creditors payment period in days (4marks)
- b) Debt to owners' equity (4marks)

**END**