

**GREENHILL ACADEMY SECONDARY
HOLIDAY WORK FOR S5**

ENT P230/1

SECTION A

- 1.(a)(i) Distinguish between entrepreneurial culture and entrepreneurial environment.
 - (ii) Mention any two benefits of the greater movement of people, goods and services across borders.
- (b)(i) Mention any two qualities of innovative people.
 - (ii) Identify any two ways of fostering innovation in small and medium enterprises.
- (c)(i) Distinguish between encoding and decoding as used in the process of sending information between the sender and receiver.
 - (ii) Mention any two limitations to effective transfer of information from the sender to the receiver.
- (d)(i) State any two characteristics associated with a strong need for achievement.
 - (ii) Give any two doctrines that should be observed when developing a name with a set of associations that make it unique.
- (e)(i) State any two components of the executive summary.
 - (ii) Mention any two benefits of the implementation plan to an entrepreneur.

SECTION B (80 MARK)

- 2.(a) Explain the relevance of carrying out the feasibility study.
 - (b) Explain the factors that determine the levels of profit earned by an entrepreneur.
- 3.(a) Describe the various insurance policies taken up by entrepreneurs.
 - (b) Examine the responsibilities insurance companies to small and medium enterprises.
- 4.(a) Describe the structure of a social enterprise plan.
 - (b) Explain the effects of climate change in your country.
- 5.(a) Examine the factors that influence quality standards enterprise.

(b) Under what circumstances may the quality of products have produced by an enterprises decline?

6.(a) Describe the major marketing decision areas to be met in the marketing Programme.

(b) What is the role of market survey in the successful operation of the business.

PAPER 2

1. You have started a business that deals in production and supply of milk products in your area.

(a) Design a programme for taking out insurance for the business milk processing machinery. (6mks)

(b) Present a daily supply schedule for the business products. (7mks)

(c) Write down policies put in place to ensure increased sales. (7mks)

(d) Draw a budget indicating pre operating expenses of your business. (5mks)

2. The following accounting projections belong to GREEN POULTRY FARM for the months of January to April 2018.

i. The business planned to start operations on the 1st January 2018 with cash of Shs60,000,000.

ii. Payment of pre-operating expenses in the first month projected to be Shs.7,160,000. Startup assets worth Shs50,000,000 are to be purchased in January; 80% payments will be made in January and the balance in the following month.

iii. Cash purchase of raw materials per month expected to be Shs4,000,000 but this is expected to increase by 20% starting in the month of March. Raw materials for April will be paid for in the month of March.

iv. Monthly projected cash sales to be Shs8,000,000; and this is expected to increase monthly by 10%. Credit sales for each month to amount to Shs6,000,000. Debtors will be expected to pay 60% in the month of sale and the balance in the following month.

v. Commission of 2% is to be paid to sales workers from each month's cash sales.

vi. The business plans to donate hens worth Shs1,000,000 monthly to the community.

- vii. A 4-month bank loan worth Shs8,000,000 is to be obtained in February; at a monthly interest rate of 2% on the reducing balance method. The loan installment and interest to be paid starting in the month of acquisition.
- viii. Monthly depreciation expenses projected to amount to Shs450,000
- ix. Poultry products worth Shs500,000 are to be taken monthly for personal use.
- x. An incubator machine worth Shs37,310,400 is to be purchase in February under the following agreement; Shs28,744,000 to be paid in the last week of February and the balance in the next month.
- xi. The incubator will provide incubation services to poultry farmers and earn monthly projected revenue of Shs3,000,000 beginning in the month following acquisition.

Required:

- a) Prepare the Cash Flow Statement of the poultry farm for the months of January to April 2022. (21marks)
- b) Comment on the net cash position of the business for the 4 months' period. (04marks)

3. You own an amusement park which you intend to expand. It has extracted many customers and visitors because of the modern facilities for playing exercises, and restaurant services available.

- (a) Design a reception register for the business. (07 marks)
- (b) Prepare a flier to be issued to the potential customers. (06 marks)
- (c) Make a certificate of merit to be issued to your employee with outstanding performance. (06 marks)
- (d) Formulate guidelines for proper handling of the amusement park facilities. (06 marks)

4. You own a modern maize mill which is experiencing declining sales.

- (a) Perform a root cause analysis for the decline in sales. (07 marks)
- (b) Design a delivery note to be used in your business. (07 marks)
- (c) Design a sign post for your maize milling business. (05 marks)
- (d) Propose guidelines for ensuring business success. (06 marks)

5. (a) In the year 2019, Katonga earned shs.8,000,000 from employment, shs.6,000,000 from property and shs.4,500,000 came from his business. Tax exempt income was 20% of his total earnings for the year. In the course of the year, building repairs costed shs.800,000 while utilities amounted to shs.2,000,000.

Using the tax rate below, determine:

- (i) Gross income for the year. (2marks)
- (ii) Taxable income. (2marks)
- (iii) Tax payable. (3marks)

Exceeding shs.4,920,000	Shs.300,000 plus 30% of the amount by which chargeable income exceeds shs.4,920,000.
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(b) The following monthly salaries and allowances paid to different employees for Kasodde Hardware has been availed to you.

Employee's name	Basic salary (shs)	Transport Allowances 'shs'	Medical Allowances 'shs'	Children's Allowances 'shs'
Melon	20,000,000	2,500,000	1,500,000	2,000,000
Nsujju	900,000	1,500,000	100,000	200,000
Papaali	11,000,000	1,800,000	700,000	1,000,000

Using the monthly PAYE rates shown in the table below:

- (i) Calculate each employee's tax liability. (08 marks)
- (ii) Determine Melon's Net Income after taxation. (02 marks)

Tax Bracket	Monthly Payment (shs)	Tax Rate
IV	Exceeding shs.410,000	(a) shs25,000 + 30% of the amount by which chargeable income exceeds shs.410,000 (b) Where chargeable income exceeds shs10,000,000 an additional 10% is charged on the amount exceeding shs10,000,000

(c) Okello a dealer in general merchandise made the following transactions during the month of May 2019.

Goods	Purchases (shs)	Sales (shs)
Baking powder	15,000,000 (VAT exclusive)	18,000,000 (VAT exclusive)
Cooking oil	29,500,000 (VAT inclusive)	44,250,000 (VAT inclusive)

Using VAT rate of 18% and 18/118;

- (i) Calculate VAT on each product. (6 marks)
- (ii) Total VAT paid to URA. (2 marks)

6. **You are operating a stationary shop that offers variety of secretarial services.**

- (a) Write a letter inviting a technician to service the office machines. (5 marks)
- (b) Design a programme for servicing the office machines. (6 marks)
- (c) Prepare a credit note for a customer who was overcharged by shs200,000. (7 marks)
- (d) Develop guidelines for proper handling of business machines. (7 marks)

PAPER 3

SECTION: CASE STUDY

1. For any one field attachment you carried out:
 - (a) What social-cultural factors influenced the entrepreneur's business start-up process? (04 marks)
 - (b) Why was it important for the business owner to carry out a feasibility study before starting the business? (05 marks)
 - (c) Describe the negotiation skills that are used by the business owner. (04 marks)
 - (e) Explain the communication techniques used by the business when presenting its products to customers. (06 marks)
 - (i) List the financial statements prepared by the business. (03 marks)
 - (ii) State the purpose of each of the financial statements mentioned in e (i) above. (03 marks)

END