845/1

**ENTREPRENEURSHIP**

 **EDUCATION**

 Paper 1

 August

 2 ½ Hours



**ELITE EXAMINATION BUREAU MOCK 2016**

**Uganda Certificate of Education**

ENTREPRENEURSHIP EDUCATION

**PAPER 1**

**2 Hours 30 Minutes**

**INSTRUCTIONS TO CANDIDATES**

* *Answer four questions in all.*
* *All questions carry equal marks.*

**Turn Over**

1. You have obtained a loan of Shs 25000,000 from centenary bank for starting a carpentry business at an interest rate of 10%, payable in five installments.

 a) Prepare a loan repayment schedule to enable you monitor the loan. (8marks)

 b) Outline the risks that may affect the business. (5marks)

 c) Describe the steps you will take when taking up an insurance policy. (7marks)

 d) Outline the methods you will take to ensure proper loan management. (5marks)

2. The information bellow was obtained from the books of mazewa enterprises for the month of April 2014.

 1st sold to madrine Shs 1100,000

 3rd bought goods from alice Shs 130,0000

6th bought goods on credit from tirika Shs 900,000

11th received an invoice from Mukama of 50 boxes of Omo each at Shs 10,000.

16th issued an invoice of 100 cartons of pamers each Shs 2000 to Mukasa.

18th returned goods to Alice Shs 25000.

19th Madrine returned goods of Shs 90000

20th credit purchases from Alice Shs 850,000

22nd invoice to Jane Shs 500,000.

24th credit note to Mukasa Shs 70,000

26th invoice from Ntale Shs 850000

27th goods returned by Jane Shs 180,000

***Required to prepare:-***

 a(i) purchase journal (5marks)

 (ii) Sales journal (5marks)

 (iii) Returns inwards journal (5marks)

 (iv) Returns out wards journal (5marks)

 b) Post the transactions to;-

 (i) Purchase ledger (2 ½ marks)

 (ii) Sales ledger (2 ½ marks)

3. You intend to start a poultry project.

a) Write a letter to the local council chairperson seeking for permission to allow you establish the farm in his area. (6marks)

 b) Describe the factors you will consider when locating the business. (8marks)

 c) How will you ensure quality of your farm? (7marks)

 d) Design a receipt you will use on your farm. (4marks)

4. Masaka traders are dealers in hides and skins. The petty cashier currently has a balance from last month of Shs 480,000. A cheque of Shs 4280,000 is being prepared to restore the imprest a summury of the petty cash voucher for the month of May 2013 is as follows.

2013

May 1 postage stamps and envelops Shs 600,000

3 glue and collotape Shs 100,000

8 Newspaper render Shs 180,000

11 managers fuel bill Shs 500,000

14 Shop cleaning for the two weeks Shs 150,000

20 hides and skins Shs 200,000

21 telephone cards Shs 100,000

24 receipts books SHs 200,000

26. Cleaning materials Shs 120,000

30 Telegrams SHs 340,000

**Required**

1. Prepare a petty cash book with analysis columns using the following headings, postal services, stationary shop expenses, travelling and ledger. (20marks)
2. Open up ledger accounts (5marks)

5. You are running a maize milling machine business

1. Outline the objectives of the business (5marks)
2. Prepare a marketing plan for your business (7marks)
3. Design a job description for a sales manager. (6marks)
4. Explain the factors you consider when selecting raw materials (7marks)

**END**