

845/1
ENTREPRENEURSHIP
EDUCATION
2022
Paper 1



MATIGO MOCK EXAMINATION
UGANDA CERTIFICATE OF EDUCATION
ENTREPRENEURSHIP EDUCATION
Paper 1
2 hours 30 minutes

INSTRUCTIONS TO CANDIDATES:

- Answer only **four** questions.
- **All** questions in carry equal marks.
- Credit will be given for use of relevant diagrams and illustrations.
- Any additional question(s) answered will **not** be marked.

Turn Over

1. You and other two family members have agreed to start a carpentry workshop as a partnership business.
 - (a) Design a partnership deed for your business. (06 marks)
 - (b) Make a budget for pre-operating expenses for your business. (07 marks)
 - (c) How will you promote your business? (06 marks)
 - (d) Under what circumstances may a partnership be dissolved? (06 marks)
2. You have acquired a loan of shs.30,000,000 to start a groundnut processing project.
 - (a) Using the fixed installment method, design a loan repayment schedule at an interest rate of 2% per month payable in 5 equal monthly installments. (07 marks)
 - (b) Make a job description for a sales manager. (06 marks)
 - (c) Write a letter of inquiry to one of the suppliers of materials. (06 marks)
 - (d) Prepare a marketing plan for your business. (06 marks)
3. The information below relates to Bagunwa and brothers Ltd as at 31st December 2016.

Land and building	1,200,000
Machinery	750,000
Stock (31-12-2016)	280,000
Debtors	190,000
Bank	300,000
Creditors	100,000
Cash	100,000
Loan	1,000,000
Bank overdraft	210,000
Drawings	100,000
Net profit for the year	300,000
Motro van	530,000
Capital	1,840,000

Required

- (a) Prepare a balance sheet as at 31/12/2016 . (21 marks)
- (b) Calculate the;
 - (i) quick assets to current liabilities. (02 marks)
 - (ii) working capital ratio (current ratio). (01 mark)

- (c) Comment on the position of the business given the ratio in (b)(ii) above. (01 mark)
4. You have agreed with your village mate to supply him with balls for the many youth groups in the community.
- (a) Draw up a sales contract you would sign with him. (08 marks)
- (b) Explain the business laws you will consider before starting the business. (06 marks)
- (c) Design a newspaper advert for your product. (05 marks)
- (d) Prepare an estimate of the working capital requirements. (06 marks)
5. Opendun Christine enterprise carried out the following transaction for January 2016.
- | | |
|--|---------|
| Jan 1 st started business with | |
| Cash in hand | 90,000 |
| Cash at bank | 100,000 |
| 3 rd paid business rent by cash | 20,000 |
| 4 th bought goods by cash | 65,000 |
| 8 th sold goods and received a cheque | 32,000 |
| 11 th cash sales | 45,000 |
| 14 th paid rent by cheque | 40,000 |
| 16 th banked cash | 30,000 |
| 17 th cash sales made | 60,000 |
| 19 th paid wages | 17,000 |
| 22 nd bought goods from Matama | 16,000 |
| 25 th sold goods by cash | 25,000 |
| 27 th sold goods by cheque | 40,000 |
| 29 th sold goods by cheque | 30,000 |

Required ;

- (a) Prepare a two column cash book duly balanced. (20 marks)
- (b) Post the entries to the ledger. (05 marks)

END