

UNEB U.C.E ENTREPRENEURSHIP EDUCATION (PAPER 1) 2009

1. You have set aside Uganda shs15 million to start a micro-finance business in your town:
 - a) Write an application letter to the town authorities for a trading license.
 - b) Prepare a budget of shs5, 000,000 to cater for the pre-operating expenses.
 - c) Using the fixed installment method, design a loan repayment schedule for a customer who borrowed shs1, 000,000 at an interest rate of 2% per month payable in 5 equal monthly installments.
 - d) Prepare a payment voucher to record the debtors' payments to the business.

2. The following records were extracted from the books of JACK & JIM EMPORIUM as at 31st December 2008:

Shs

Opening stock 2,500,000
Premises 12,000,000
Sales 26,000,000
Sales returns 1,500,000
Purchases 14,000,000
Salaries 1,750,000
Furniture & fittings 1,250,000
Discount received 225,000
Discount allowed 375,000
Purchases returns 90,000
Insurance premium 190,000
Machinery 7,000,000
Electricity 280,000
Transport 520,000
General expenses 360,000
Cash in hand 120,000
Debtors 3,000,000
Creditors 2,150,000
Capital 15,750,000
Drawings 300,000
Bank overdraft 930,000
Closing stock 3,000,000

Required:

- a) Extract JACK & JIM EMPORIUM's trail balance as at 31st December, 2008.
- b) Prepare a trading, profit and loss account for the period ending 31st December, 2008.

c) Calculate the gross profit mark up of JACK & JIM EMPORIUM.

3. You are a partner in a large-scale business dealing in goods and transport services:

- a) Write an inquiry to a supplier of various household goods.
- b) Prepare a Delivery Note for use by the transport department.
- c) Make a job description for the post of a transport manager.
- d) Prepare a daily time sheet for the workers.

4. The following record of Assets and liabilities was available in the books of ABEY AND SONS ENTERPRISES as at 31st December, 2008.

Shs

Cash in hand 666,667

Cash at bank 14,000,000

Furniture and fixtures 6,000,000

Land and buildings 30,000,000

Closing stock 10,000,000

Debtors 12,000,000

6-year loan 20,000,000

Machinery 7,333,333

Creditors 9,350,000

Outstanding rent & rates 1,300,000

Office equipment 13,000,000

Rent received in advance 3,300,000

Required:

- a) Prepare a balance sheet for ABEY AND SONS ENTERPRISES as at 31st December, 2008.
- b) Determine the:
 - i. Current asset ratio,
 - ii. Debt-equity ratio.
- c) Given are the ratios obtained in (b)(i) & (ii) above, explain the position of the business.

5. You are operating a furniture workshop producing various types of products:

- a) Write the mission statement of your business.
- b) Design the layout of your furniture workshop.
- c) Design a sign post for advertising your products.
- d) Prepare a marketing plan for your products.