

845/2
ENTREPRENEURSHIP
EDUCATION
Paper 2
November 2023
2 hours



WAKISSHA JOINT EXAMINATIONS

End of Year Assessment

SENIOR THREE

ENTREPRENEURSHIP EDUCATION

Paper 2

2 hours

INSTRUCTIONS

- This paper has **three** sections: *A*, *B* and *C*.
- Section *A* is compulsory.
- Attempt any **one** item from section *B* and **one** item from section *C*.
- All items carry equal scores.

SECTION A

CASE STUDY (20 scores)

Read the case study below carefully and answer the questions that follow:

1. Many traders in KAKUMIRO town are dealing in household goods regularly bought by the customers. But many customers are complaining of being over charged. This made Uganda National Bureau of Standards to come out and caution the business owners against such practices.
Peter and Charles who are close friends from the same school have been observing such practices with concern. They started saving part of their pocket money and by the time they reached senior four, they had saved Shs. 500,000 and received Shs2,000,000/= (two million shillings) as a donation from their parents. During their vacation, they planned to apply their entrepreneurship skills and started a retail business in the area.
 - a) From the information in the case study above, prepare a saving plan for Peter and Charles. (10 scores)
 - b) Given the savings of Peter and Charles plus the cash they received from the parents, prepare a working capital budget. (05 scores)
 - c) Apart from overcharging customers as mentioned in the case study give any other four bad practice that call for attention of Uganda National Bureau of Standards. (05 scores)
 - d) Design a signpost for Peter and Charles' retail business. (05 scores)

SECTION B (20 scores)

2. The following information is availed to you from a business owner with little knowledge of business planning. Study it carefully, classify it into both a marketing and production plan using your understanding of drafting business plans.
 - Raw material requirements
 - Labour requirements
 - Waste disposal
 - Products offered
 - Target market
 - Pricing and sales strategy
 - Promotion strategy
 - Utilities
 - Position of competitors
 - Production machinery
 - Plant capacity
 - Transport

3. (a) Prepare an invoice for Kamonkoli Retailers who sold the following goods to Yumbe shoppers Ltd. (15 scores)
- 200 packets of tea costing shs 2,500 par packet.
 - 70 crates of banana drink, each costing shs 1,000
 - 200 packets of biscuits, each costing shs 200.
 - 11 cartons of mineral water, each costing shs 4000
 - 100 packets of table salt, each costing shs 500
- (b) Why is it important for Kamonkoli Retailers to write the invoice to Yumbe shoppers Ltd. (05 scores)

SECTION C (20 scores)

4. The cashier of Kato Enterprises maintains a file containing all the source documents of the business. On checking the file at the end of the month of September, 2021, he found invoices and credit notes with the following information:

Sept 2. Incoming invoices from the following:

Otim	shs 2,200,000
Kadogo	shs 1,700,000
Dodo	shs 2,800,000

Sept 5. Outgoing invoices in the names of:

Tamara	shs 2,100,000
Apuuli	shs 3,000,000
Daudi	shs 1,900,000

Sept 7. Incoming credit notes.

Otim	shs 300,000
Kadogo	shs 200,000

Sept 8. Incoming invoices in the names of:

Otim	shs 3,500,000
Kadogo	shs 2,300,000
Dodo	shs 1,500,000

Sept 10. Outgoing credit notes to:

Tamara	shs 200,000
Daudi	shs 100,000

Sept 15. Outgoing invoices to:

Apuuli	shs 3,500,000
Tamara	shs 4,000,000

Sept 18. Incoming invoices from:

Kadogo	shs 2,000,000
Dodo	shs 1,500,000

Sept 25. Incoming credit notes:

Kadogo	shs 200,000
Dodo	shs 100,000

Sept 27. Outgoing credit note from:

Apuuli	shs 300,000
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Required:

Help Kato to record the above information in the respective books of original entry. (20 s

5. On 1st June 2022, Kasanvula started a restaurant business with Ug Shs. 900,000 in cash. He has no knowledge of book keeping and accounting. He carried out the following transactions during the month of June 2022.

June		UGX.
2	Banked cash	420,000
3	Purchased goods for resale by cash	400,000
5	Paid office rent by cheque	210,000
10	Sold goods and received a cheque	550,000
15	Bought goods and paid cash	750,000
20	Bought office furniture by cheque	600,000
22	Sold goods and received cash	450,000
25	Paid salaries by cheque	250,000
27	Withdrew cash from the business for personal use	100,000
30	Cash sales to date	200,000

Enter the above information in the appropriate ledger accounts.

(20 scores)

END