



**KAMSSA LOWER SECONDARY LEVEL EXAMINATION
SENIOR THREE
ENTREPRENEURSHIP EDUCATION
PAPER 1
TIME: 2 HRS**

INSTRUCTIONS

- This paper consists of sections **A** and **B**
- Section **A** has **two** compulsory items
- Answer **one** item from section **B**
- Answer **three** examination items in all

SECTION: A (Answer all items in this section)

Item 1

Barigeya is currently running a trading business in Masaka city and believes this is the right time to fulfill his dream of expanding it to a supermarket but he is wondering whether the community is ready for the change. He has been advised by his trader's association to conduct market research such that his question is answered, but he is hesitating claiming the exercise is expensive as this would reduce the saving, he has set aside to finance the expansion.

Task. In a write up

- a) Brief Barigeya about the benefits of conducting market research. (10 scores)
- b) Advise Barigeya on other five ways of raising the required funds to finance the expansion other than saving (10 scores)

Item 2

Adong an entrepreneur in Gulu city, buys her goods from Kampala in bulk, he travels those long distances with large sums of money to pay her suppliers which exposes her to a risk of theft yet she has an account in equity bank. She has been advised by the supplier to make the payments while in Gulu city, but she is still wondering how.

In addition to her trouble is the fear that she might not be fulfilling her obligations as required by law because since she started operating three years ago, all she ever done is paying for a trade license.

Task

- a. Advise Adong on how she can use modern technology in banking payments to her supplier. (10 scores)
- b. Guide her about the obligation she has as a tax payer. (10 scores)

SECTION: B

Answer one item from this section

Item 3

Nabimba is a prominent trader in Kyotera town, but lacks book-keeping skills, he employed an accountant but unfortunately left the job. The following details took place in 2023.

- a) Balance of cash with the bank on 1st/02/2023 was shs3,000,000.
- b) Sales for every month was expected at shs 500,000.
- c) Cash from debtors for the month of march and April was expected at shs 600000 per month.
- d) Loans cash for February and March was shs 1,000,000 and shs 900,000 respectively.
- e) Rent refund in march shs 2,000,000
- f) Purchase of raw materials monthly shs 200,000
- g) Monthly salary payment shs 300,000 and payment for electricity monthly shs 130,000

Task

Prepare for Nabbimba cash flow statement for the month of February to April 2023

Item 4

The following transactions relate to the business of Amany enterprise for the month of July 2023

July 1 started business with cash	200,000
2 bought goods for cash	20,000
5 sold goods by cheques	140,000
7 paid rents in cash	15,000
15 bought motorvan by cheques	30,000
16 cash sales	60,000
18 bought more goods by cheque	20,000
20 sold goods for cash	500,000
23 cash sales	30,000
25 took cash for person use	15,000
25 paid for electricity by cheque	25,000
26 bought furniture by cheque	30,000
28 sold goods for cash	70,000
30 paid salaries for cash	20,000

Task

Help them to prepare the relevant cash book daily balanced

END