

845/2
Entrepreneurship education
Paper **1**
June/July 2023
2 ½ Hours



ACETTEKA JOINT MOCK EXAMINATIONS 2023

Uganda certificate of education

ENTREPRENEURSHIP EDUCATION

PAPER **1**

2 hours 30 minutes

INSTRUCTIONS TO CANDIDATES

Answer only four questions

All questions carry equal marks

Credit will be given for use of relevant diagrams and illustrations

Additional questions answered will not be marked.

1. You intend to start a carpentry workshop in your local area;
 - (a) Identify six requirements for the workshop. (6marks)
 - (b) Design an invoice that you will be using in your business. (7marks)
 - (c) What measures will you put in place to promote the sales of your business? (6marks)
 - (d) Identify three indirect taxes and three direct taxes your business is likely to pay to Uganda Revenue Authority (URA) (6 Marks)

2. The following transactions were extracted from the books of Masavu for the month of March 2018.

March 1 Started business with cash Shs 100,000 and banked	Shs 50,000
2 Bought goods by cheque	Shs 100,000
3 Paid rent by cheque	Shs 50,000
6 Paid cash into the bank	Shs 30,000
8 Sold goods and received cash	Shs 80,000
10 Withdrew cash from the business for personal use	Shs 5,000
16 Received a Cheque from Opio	Shs 50,000
20 Deposited cash into bank	Shs 10,000
23 Withdrew cash from the bank for office use	Shs 50,000
26 Paid for wages in cash	Shs 10,000
28 Cash purchases	Shs 5,000

Required,

- (a) Record the above transactions in Masavu's two Colum cash book and balance it. (15 Marks)
 - (b) Prepare the respective ledger accounts and extract a trial balance. (10 Marks)
3. You intend to start a juice processing plant in your home area;
 - (a) Give five sources of capital to your business. (5 Marks)
 - (b) Mention the indications of a good business opportunity in the environment. (5 Marks)
 - (c) Describe the steps you will take to insure your business against certain risks. (5 Marks)
 - (d) Describe any five books of original entry you will use to keep proper records of accounts (10 Marks)

4 Study the information below and answer the questions that follow

STAGE	DETAILS	COST PRICE (SHS)	SELLING PRICE (SHS)
I	Producer	2,000,000	
II	Producer to wholesaler	2,000,000	2,400,000
III	Wholesaler to retailer	2,400,000	3,000,000
IV	Retailer to Final Consumer	3,000,000	4,000,000
V	Final Consumer	4,000,000	

- (a) Given the VAT rate of 18% calculate the VAT payable at each stage (12 Marks)
 (b) You own a stationery shop at Kireka town employing 3 workers below is the monthly Pay as You Earn rates (PAYE)

Chargeable Monthly income	Tax Rate
1. Not exceeding Shs 235,000	Nil
2. Exceeding Shs 235,000 but not exceeding Shs 335,000	10% of the amount by which chargeable Income exceeds Shs 235,000.
3. Exceeding shs335, 000 but not exceeding Shs 410,000	Shs 10,000 plus 20% of the amount by which chargeable income exceeds Shs 335,000
4. Exceeding shs 410,000	Shs 25,000 plus 30% of the amount by which Chargeable income exceeds Shs410, 000.

Calculate PAYE for a worker who is paid

- (i) Shs 400,000 per month (3 Marks)
 (ii) Shs 800,000 per month (3 Marks)
 (iii) Shs 2,400,000 per month (4 Marks)
 (c) Give any three benefits of paying VAT (3 Marks)

5. You are to start a bakery project in your home district.

- (a) Identify the vision and Mission of the project (4 Marks)
 (b) Prepare an operating budget for your project (6 Marks)
 (c) Explain the ways of ensuring quality products for the business (8 Marks)
 (d) What are the positive effects of the business to the community? (7Marks)

END