

845/1
ENTREPRENEURSHIP
EDUCATION
PAPER 1
July/August 2023
2 ½ hours



WAKISSHA JOINT MOCK EXAMINATIONS

Uganda Certificate of Education

ENTREPRENEURSHIP EDUCATION

Paper 1

2 hours 30 minutes.

INSTRUCTIONS TO CANDIDATES:

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

4. You are an entrepreneur who is tax compliant (04 marks)
- (a) Outline any **four** obligations of a tax payer.
- (b) In the month of September 2018, Muhindo Job made the following VAT inclusive transactions,
- Purchases Shs. 590,000
- Sales Shs. 944,000
- Calculate Muhindo Job's;
- (i) VAT payable to Uganda Revenue Authority. (04 marks)
- (ii) Total purchase price (VAT Exclusive). (04 marks)
- (c) The table below shows the tax rates for PAYE deductions

| | 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 exceed Shs. 235,000 |
| 3 | Exceeding Shs. 335,000 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 Shs. 410,000 |

Calculate the monthly PAYE for the following workers:-

- (i) Ndenqwa who earns a monthly salary of Shs. 410,000 (04 marks)
- (ii) Kateme who earns an annual salary of Shs. 6,000,000 (05 marks)
- (d) Nanduto owns houses in Kisaasi, Entebbe, and Jinja where she earns Shs. 900,000, Shs. 600,000 and Shs. 2,500,000 per year respectively.
- Use Shs. 2,820,000 as tax free allowance
 - Use 12% as rental income tax rate.
- Calculate Nanduto's rental income tax payable to Uganda Revenue Authority. (04 marks)

5. You have secured a bank loan of Shs. 10,000,000 to establish a washing bay which also offers night parking services. The loan is to be paid back in 4 months period at an interest rate of 8% per month on outstanding balances.
- (a) Prepare a loan repayment schedule. (07marks)
- (b) Identify **four** possible risks likely to be faced in your business and state the possible insurance policies to cover the identified risks. (08 marks)
- (c) Identify any **four** sources of long term finances for your business. (04marks)
- (d) How will your business depend on the natural environment? (06marks)

END

1. You intend to start a secretarial business in your town.
 - (a) Use a suitable medium to promote your project. (06 marks)
 - (b) Write down the guidelines for selecting machinery and equipment for use in your business. (07 marks)
 - (c) Design a cash sale slip to be used in your business. (06 marks)
 - (d) What management tasks are likely to lead to business failure if poorly handled? (06 marks)

2. The following information relates to EXPRESS SUPER MARKET for the month of June 2023.
June 2023
 - 1st received an invoice from Nalukenge worth Shs. 5,800 with invoice No.012.
 - 2nd issued an invoice to Luwagga invoice No. 061 of Shs. 92,000
 - 4th received a credit note of Shs. 3,000 with credit note No. 023 from Nalukenge.
 - 5th issued invoice No. 033 of Shs.18,600 to Mukisa.
 - 7th issued credit note No. 011 to Mukisa of Shs. 600
 - 11th received an invoice No. 041 from Nasaazi of Shs. 36,700
 - 14th issued an invoice No. 455 to Kwizera of Shs. 55,000
 - 17th received a credit note No. 018 from Nasaazi of Shs. 700
 - 18th received an invoice No. 060 of Shs.24,100 from Wanyana.
 - 18th issued a credit note No. 023 to Kwizera of Shs. 500
 - 19th received an invoice of Shs. 24,600 with invoice No. 022 from Kabiswa.
 - 20th issued a credit note No. 088 to Wanyana of Shs. 100
 - 25th issued an invoice No.702 to Asimwe of Shs. 33,300
 - 26th issued credit note No. 094 to Asimwe of Shs. 3,300

Required

 - (a) Prepare necessary day books for Express Super Market (22marks)
 - (b) Under what condition may a credit note be issued? (03 marks)

3. You are a managing director of a maize milling company in your local community.
 - (a) Present a general description of your business. (07 marks)
 - (b) Write a job description for the post of a security guard. (06 marks)
 - (c) Explain the factors that may influence your decision when determining prices for your products. (06 marks)
 - (d) Write a notice informing your potential customers about your intentions to open up another branch. (06marks)