

ENTREPRENEURSHIP SEMINAR ON LOWER SECONDARY CURRICULUM SCHEDULED ON 6TH JULY, 2024 AT BUDDO S.S.

- E.O.C 1: APPRECIATES BUSINESS START-UP.
E.O.C 2: MANAGES A BUSINESS
E.O.C 3: APPRECIATES BUSINESS SUPPORT
E.O.C 4: APPLY BOOK KEEPING SKILLS.

SECTION (A)

This section consists of three items and a learner attempts all.

APPRECIATES BUSINESS START-UP

Item 1:

E.O.C 1

Champ GUDO has secured a loan of UGX 5,000,000 and plans to start a mobile money business in a busy Centre. He doesn't know the right procedures to follow before the business commences. This has made him develop fear to take the business decision since he has never tried to get customer opinions in relation to the new business he plans to start.

TASK

- Use your entrepreneurship skills to help Champ GUDO to solve the challenge in the scenario.
- Guide him on how to formalize the business.
- How will Champ GUDO determine where to locate his mobile money business.
- Help Champ GUDO to make a Budget for the business.

Item 2:

E.O.C 1

Joel, John and James want to start a poultry farm to own jointly. Each of them has to contribute Shs. 200,000 which seems not to be enough, and may require to raise more finances. However, they are afraid of getting conflicts among themselves over different business matters.

They also need guidance on developing a document that will help them to analyze the position and opportunities of their business in the present market situation.

TASK

As a student of entrepreneurship Education, guide Joel, John and James to solve the challenge in the scenario.

Item 3:

E.O.C 1

Mr. Omara, is a retired servant and has received his retirement package and is eager to start a business.

However, He is unsure about what venture to pursue. He has a passion for agriculture and wants to utilize his skills to create a sustainable income stream. He is also determined to change the selected registered business in case it fails to do well in future. However, he has no information about how he can plan for the production requirements and needs.

Task

- a) Guide Omara on;-
- i) Selecting viable type of business.
 - ii) Benefits associated with any of the viable business selected.
- b) How to de - register the business?
- c) Assist Omara to plan for the projected needs for producing his proposed goods.

Item 4:

E.O.C 1

In Namutamba village a group of 10 women pooled their resources to start a joint venture. They collectively produce and sell their produce. They have invited other members to join them but due to limited sensitization and fear of poor management and limited knowledge about how ventures operates among others, they have failed. They only sell their products to the local community leading to wastage of Surplus that cannot be consumed.

Task

- a) Help the women to address their concerns.
- b) Guide on making choice of any other an attractive investment idea.

Item 5

EOC 1

Sheeba is planning to open up a supermarket in Masaka city. She has been advised that for it to operate effectively, all legal formalities have to be strictly followed and she is scared of such a requirement due to limited sensitization.

She also needs guidance on the plan that will help her to remain focused during business operation.

Task

- a) Use your entrepreneurship skills to solve the challenge Sheeba is facing in the scenario.
- b) Guide Sheeba on the plan to remain focused in the business.

ELEMENT OF CONSTRUCT: 2.

MANAGING A BUSINESS.

ITEM 1:

EOC 2

Joseph is the owner of Sunshine Beverage in Jinja. The company produces a variety of juices and other related soft drinks. He employs six workers but they always conflict over duties and tasks to undertake.

He owns an old machine which he uses to extract juice but he wants to buy a new one though he lacks clear guidance on which machine to buy.

Customers frequently complain that juice does not reach most of them especially those from far distant places.

Tasks.

- a) Solve the challenge faced by Joseph's company.
- b) Advise Joseph on the modifications and improvements he should undertake in his Beverage processing company.

Item 2.

EOC 2

Meet Alicia, a dairy farmer who has decided to diversify her business by starting a milk processing plant. She has also started producing high quality cheese, butter and ghee using milk as a raw material. Alicia's farm currently produces 500 litres of milk per week and she

plans to use milk as the raw material. She owns an old vehicle which she plans to replace and buy a new one.

She uses only a sign post near her farm which has not given enough information to her customers about existence of the farm.

Task

- a) How has Alicia benefited from starting milk processing plant and other related milk products mentioned in the scenario?
- b) How can Alicia solve the challenges in the scenario

Item 3:

EOC 2.

Tonny owns a restaurant in Buddo trading centre.

He has bought a van to deliver food to customers who make orders online.

The business customer desk has received request for Tonny to open up a branch and sometimes food is served when it is cold, poor quality and highly priced, customers are poorly handled etc. Tonny has promised to handle the issue.

Task

- a) Design: (i) Business card for Tonny.
(ii) Signpost for directing customers to Tonny's new branch.
- b) How can Tonny solve the challenges in the scenario?

ITEM 4.

EOC 2

Hozambe operates a welding business. Which produces metallic doors, windows and beds his customers complain about limited product range, poor designs and does not allow customers to place orders of the designs they want. He only sells his products to local people around his business and has inefficient delivery means. He uses outdated marketing techniques, poorly engages his customers and has no social media platform for his business

TASK

Guide Hozambe on how to solve challenges in his business.

ITEM 5

EOC 2

Grace owns a restaurant in Mukono municipality with three employees. The restaurant has been using low quality ingredients to cut costs, compromising the taste and quality of its dishes. The 3 chefs conflict over work causing delays in food preparation and they prepare constantly similar menu items of poor quality. Grace is passionate about catering business but lacks marketing skills. Her business' social media platform has few followers and infrequent posts.

TASK

- a) Advise Grace on how to solve the challenges in her restaurant.
- b) Identify the qualities possessed by Grace in management of the restaurant.

ELEMENT OF CONSTRUCT 3

A LEARNER APPRECIATES BUSINESS SUPPORT.

ITEM 1:

EOC 3

Meet Tracy the owner of chain link restaurant with three branches in Mbarara town district. Despite its good locations and extensive menu, the restaurant has tried to capture a market share but in vain.

The restaurant faces several risks such high competition, theft of cash by employees, expiry of food etc.

The restaurant also exploits staff by demanding long working hours, has unhygienic practices, make false claims about menu items, has unpaid taxes, files inaccurate Returns and tax records among others.

This has resulted into low customer loyalty and big financial struggle.

Task

- a) Identify Tracy's tax compliance issues.
- b) Help Tracy to solve the;-
 - i. Un ethical behaviours in her restaurant.
 - ii. Risks in business.

ITEM 2:

EOC 3

Tendo, a young entrepreneur has passion for fashion and design. She started her own clothing line "Tendo Designs" with a small loan from her parents to achieve a big dream. Through hard work, determination and keen sense of style, Tendo's designs quickly took off within a year. Tendo's success appear in the top magazine.

Her story is a testimony on achieving her goals and realizing her worth intentions, making a difference everlasting legacy. Besides, she has no TIN, accurate data, no tax files to URA. she sometimes faces different risks such as workers stealing clothes, declined profits, machinery break down She also faces a challenge of integrating E-technology in her business and needs guidance on better insurance policy she can undertake to manage risks facing her business.

Task

- a) What shows that Tendo's business is achieving its goals and realizing its intentions?
- b) Assist Tendo to solve the challenges her business is facing.

Item 3

EOC 3

Onesmus operate a poultry business in his village with few customers. He sells eggs to relatives who fail to pay and doesn't record the number of eggs sold to customers.

Local authorities warned him on different occasions for not being tax compliant and cautioned him to fulfill his tax obligations.

He wants to open up a bank account where he can save his daily revenue collection but he has no knowledge about the right procedure to follow.

Task

- a) Using your knowledge of taxation inform Onesmus his obligation to tax authority.
- b) Use your entrepreneurship skills guide Onesmus to solve the challenges.

Item 4:**EOC 3**

Magezi is a Salon operator in Soroti alongside the market lane. He has been in the business for three years and this has attracted customers within and out skirts of the city.

He employees' five employees at the salon. However customers frequently complain that some these employees poorly handle them and they violate their rights through charging high prices, barking at them, poor hair fashions etc. On several occasions the government has devised means of safe guarding them but it's in vain.

Besides that Magezi opens up the salon very early and closes late and this has put him in the position of not getting time to physically go to bank to bank his daily collections.

Task

- a) Use your entrepreneurship skills to solve the challenge.
- b) Inform Magezi the possible financial institutions that can handle his finance.

Item 5:**EOC 3**

Kasoma a business tycoon in Mukono town owns a cosmetic business in the name of KASOMA COSMETICS LTD.

He is confused about tax compliance issues and computations. The tycoon registered net profit, revenue of shs. 82,000,000. The business produces a variety of products such as jellies, perfumes and perfume soap.

It employs 4 workers two who are casual workers and others are highly skilled. In the year 2022, the skilled workers were paid a basic salary of shs. 11,000,000 per worker each month with medical allowances of 10% while casual workers earned shs. 200,000 per worker each employ.

In addition to providing employment opportunities the business pays taxes to government which money is used by government to provide social services in the region.

Given the corporation tax rate of 30% and the monthly PAYE rates as below;-

CATEGORY	MONTHLY INCOME	MONTHLY RATE
1.	Not exceeding shs 235,000	Nil/zero
	Exceeding shs. 410,000	a) Shs. 25,000 plus 30% of the amount by which chargeable income exceeds shs 410,000 b) Where chargeable income exceeds shs 10,000,000, an additional 10% is charged on amount by which chargeable income exceeds shs 10,000,000

Task

Help Kasoma to compute;-

- i. PAYE paid by different workers at given their level of skills per month.
- ii. The corporation tax paid by Kasoma cosmetics Ltd in the year 2022.
- iii. Apart from taxes, how else does the government be in position to manage and meet its financial obligations?

Item 6:

EOC 3.

Kapere is the owner "Quality Juice Packers" a leading manufacturer of juice. Recently he won an award of being a good tax compliant from URA.

The following information has been traced from one of his recordings for last month.

Manufactured a carton of juice at shs. 50,000 factory price.

A wholesaler bought it and sold it to a retailer at shs. 55,000. A retailer sold it to a final customer at shs. 62,000 shillings.

All these transaction were VAT exclusive.

The VAT rate is 18%.

Kapere also owns a big room near his factory which he hires and collects shs. 18,000,000 annually as his rental gross income.

NB: Rental tax rate is 12%.

Tax Free allowance 2820,000.

Task

- a) Assist Kapere to compute
 - i. VAT liability paid to U.R.A at each stage.
 - ii. Rental tax liability.
 - iii. Net rental income
- b) What practices Kapere would use to win the award of "best tax compliant entrepreneur."

Item 7

Mukisa operates a restaurant in one of the city suburbs. However, the business has failed to raise the expected revenue due to poor business location. Recently, she was denied a bank loan because her business is not registered. She has no knowledge about the requirements to fulfill this condition and does not even know the needs to take such a practice.

Task

- a) As a student of Entrepreneurship, assist Mukisa to solve the challenge in the scenario
- b) Guide her on the plan which her restaurant can use to analyze the possible position and opportunities to penetrate the present market

ELEMENT OF CONSTRUCT FOUR (EOC 4).

LEARNER APPLY BOOK KEEPING SKILLS.

Item 1

EOC 4

Promise operates a small meat roasting business in a trading center of his village. He has the following records for the month of May, 2022 but unfortunately has limited skills in book keeping

May 1st commenced business with cash shs. 60,000

2nd bought meat by cash shs.20,000

5th paid rent by cash shs.15,000

7th sold meat by cash shs.15,000

10th bought 2kgs of meat by cash shs.22,000

12th sold meat by cash shs.32,000

15th made cash drawings shs.10,000

18th received cash from John shs.28,000

20th sold meat by cash shs.38,000

20th bought meat by cash shs.30,000

30th bought airtime by cash shs.5,000

Task

Record the transaction of Promise's business using the double entry principle

Item 2

EOC 4

The cashier of Tusubira Retails shop 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.

July, 2nd - **Incoming invoices from;-**

Sarah - shs. 2,000,000

Tina - shs. 1,800,000

Opio - shs. 3,000,000

July 5th - **Outgoing invoices to -**

Otti - shs. 2,000,000

Emeka- shs. 2,000,000

Tom - shs. 1,400,000

July 7th - **Incoming credit notes from**

Sarah - shs. 400,000

Tina - shs. 100,000

July 8th - **Incoming invoices from;**

Sarah - shs. 4,500,000

Tina - shs. 300,000

Opio - shs. 1,200,000

July 10th - **Outgoing credit notes to;**

Otti - shs. 150,000

Tom - shs. 180,000

July 15th - **Outgoing invoices to;**

Emeka - shs. 400,000

Otti - shs. 3,200,000

July 18th - **Incoming invoices from**

Tina - shs. 200,000

Opio - shs. 120,000

July 25th outgoing credit note to;

Emeka shs 50,000

Task

a) Help Tusibira Retail shop to prepare relevant books of the original entry.

b) Open up the general ledgers to show the total balances.

Item 3

EOC 4

The following are monthly records of Omega Traders for the month of May 2023. The business sell on both cash and credit basis. The business deals in snack production

1st May balance brought forward Cash - shs 200,000

Bank shs 300,000

2nd Received 50% cash from the following debtors who had picked snacks on credit in the previous month.

Tina - shs 100,000

Tonny - shs 150,000

Treasure - shs 200,000

- 3rd The following debtors also settled their due accounts less 5% cash discount
 Sarah - shs 40,000
 Sandrah - shs 80,000
- 4th The following debtors failed to settle their due debts by end of 31st may after picking snacks on credit
 Okello - shs 80,000
 Omara - shs 50,000
 Okumu - shs 30,000
- 5th Sold snacks by cheque worth shs 400,000
- 9th Paid electricity bills by cheque shs 20,000
- 10th Paid insurance bills by cash shs 15,000
- 12th Okello settled a debt due with cheque less 5% discount
- 15th Monthly credit purchases from the following creditors were
 Namukasa - shs 120,000
 Musoke - shs 180,000
 Mukisa - shs 160,000
- 18th Settled debt due to Namukasa by cheque less 5% discount for the wheat flour purchased from her.

Task

- Open up relevant books of accounts
- Give any two circumstances under which an entrepreneur may receive a discount.

ITEM 4:

EOC 4

MURUNGI has been trading since 2012 and his nephew who is not trained in accounting has been assisting him to keep records, in addition to helping in the shop. Murungi would like to know the financial status of his business. You have been hired as a senior accountant and a consultant.

TASK

Assist Murungi to prepare relevant financial statements that can be used to:

- Check on the arithmetic accuracy of the ledger balance as at 31 July 2014
- Determine the financial performance made by the business for the period ending 31st July 2014.
- Determine the financial position made by the business as at 31 July 2014

ITEM	UGX
Capital	6,850,000
Sales	5,200,000
Purchases	3,800,000
Cash at Hand	5,720,000
Premises	550,000
sales returns	50,000
Discount Received	400,000
Motor Van	1,200,000
Creditors	300,000
Bank over draft	20,000
Opening stock	870,000
Drawings	1,100,000
Electricity Bills	1,440,000

Insurance Bills	1,800,000
Stock at Close	720,000
Bank Loans	2,660,000
Rent income	550,000
Purchases returns	550,000

ITEM 5: EOC 4

Kisakye is a poultry farmer in Semuto village. She recently attended a workshop and sensitized about book keeping. However it seems she didn't get enough knowledge because when she prepared her statement that shows a list of debit and credit balances for the year 2023, it failed to balance. It appears as below.

KISAKYE POULTRY FARM TRIAL BALANCE AS AT 31ST DECEMBER 2023

Details	Debit (shs)	Credit (shs)
Debtors		2,000,000
Creditors	2,000,000	
Land		5,000,000
Machinery		4,000,000
Fixtures and fittings		3,000,000
Equipment		2,000,000
Motor van		1,500,000
Purchases		2,500,000
Return from customers		500,000
Return to suppliers	600,000	
Discount allowed	2,000,000	
Discount received	1,000,000	
Stock at start	1,500,000	
Cash at hand	600,000	
Cash at bank	3,400,000	
Rent income	400,000	
Sales	7,000,000	
General expenses		1,000,000
Capital		16,000,000
Closing stock.	3,000,000	

Task

- As a student of financial management she has approached you to assist her to identify the error made that made that statement not to balance and correct it.
- Prepare a comprehensive statement of account.
- Prepare a statement that determines the financial position of the business for the business above as at a given date.

Item 6 EOC 4

Nalongo owns a busy restaurant in Kikoni near Makerere University. Her restaurant is called Nalongo Fast Foods. She lacks good book keeping skills and she just records any transactions she incurs without following the right accounting principles. Last year, 2023, by December 31st she had made the following recordings.

Item	Amount
	shs
Stock 01. 01. 2023 of food item	1,250,000
Unsold food items at 31 st /12/2023	1,500,000
Purchases of Matooke	700,000
Food returned by customer	750,000
Spoilt Matooke returned to supplier	45,000
Total sales made	13,000,000
Transport allowance offered to customer	95,000
Premises	6,000,000
Tools and equipment	3,500,000
Creditors	1,075,000
Debtors	1,500,000
Drawings	150,000
Table	625,000
Salaries and wages	875,000
Discount allowance	187,500
Commission received	112,500
Electricity bill	140,000
Cash at hand	60,000
Bank overdraft	465,000
Airtime expenses	180,000
Interest received	582,500
Capital	7,875,000
Interest on loan	7,142,500

Task

- Check the arithmetic accuracy for the above statement
- Help Nalongo Restaurant to determine the gross profit and net profit made at the end of the trading period

ITEM 7

EOC 4

Opera Supermarket operates its books of accounts on the Imprest system where its main cashbook is kept alongside a Petty cash book.

The monthly cash float is 150,000 and 30th March 2020 the balance at hand was 15,000 if the following transactions during the month of March 2020;-

5 th	bought postage stamps	-	shs 1,000
6 th	paid staff tea	-	shs 11,000
8 th	paid transport	-	shs 2,000
10 th	paid for fuel	-	shs 2,500
15 th	purchase new lock for the office	shs	1,000
16 th	paid for repair of water system	shs	2,000
25 th	paid for sugar for staff tea	-	shs 3,000
29 th	paid for paper clips	-	shs 1,500
30 th	paid for reams of papers	-	shs 5,000
31 st	paid Otimu.	-	shs 40,000 a creditor.

Task

- a) Prepare relevant book of accounts that can be used to accommodate minor expenses using analysis columns of communication, stationery, sundry, transport and ledger.
- b) Present any five benefits of maintaining such book of accounts.

ITEM 8.

EOC 4.

Mamma Pheena runs a retail shop in Nakatunya, Soroti district. Within her shop premises, is a mobile money business, trading under a different business name. She does not keep her business records according to the double entry system. The following balances were extracted from her business' records for the year ended 31 December, 2019.

- 1ST Mamma Pheena started business with shs. 16,000,000 in cash.
- 2nd Bought goods on credit from Yiga shs. 4,200,000.
- 3rd Paid rent in cash shs. 870,000.
- 4th Purchased goods worth shs 500,000
- 4th deposited shs. 10,500,000 of the cash into the bank.
- 5th Sold goods on credit to Baba shs. 1,920,000.
- 6th Bought stationery shs. 185,000 paying by cheque
- 7th Cash sales shs. 10,323,000.
- 8th Bought goods for cash shs. 1,540,000.
- 9th Paid for salaries worth shs 100,000 for each worker. The business had 3 workers.
- 10th Brought additional capital by cheque shs 7,000,000
- 10th Purchased Land by cheque shs 8,000,000
- 19th Purchased goods on credit from J. Aguma shs. 1,215,000
- 19th Paid transport shs. 120,000 by cheque
- 18th Baba cleared his account by cheque
- 20th Paid shs. 90,000 for secretarial services by cheque
- 20th Paid Yiga shs 2,000,000 by cash as part payment of his amount due.
- 20th She banked all cash leaving 3,000,000 in the cash till.

Task

Assist her to prepare relevant book of accounts and thereafter prepare relevant ledger accounts and balance them at the end of the month.

THE STRUGGLE CONTINUES.