

UGANDA CERTIFICATE OF EDUCATION
ENTREPRENEURSHIP EDUCATION 845/1

TIME 2 ½ HOURS

INSTRUCTION

- Attempt all questions in section A
- Choose only one in section B

SECTION A

1. Entrepreneurship has evolved and seen everywhere around us. You have been called on to give career guidance to the Senior one students about entrepreneurship as a career. You have decided to use the story below as a case study.

A STUDENTS TURNS AN ENTREPRENEUR

Robert was a student of Premier High School. He grew up in a poor, hopeless and extended family of 17 people. He realized that on most school Visitation days, because most parents came from far, they could not bring hot food stuffs to their children. One of the things students enjoy most is chapattis. There were no chapattis at school. Because of a big number of students at school, Robert realized that this could be a good business opportunity since he knew how to make chapattis.

He decided to do business by making chapattis at school as a way of getting money to pay his school fees and take care of 2 of his young sisters. He went to the head teacher to ask for permission and he was allowed to go on.

He had little money saved, he sold his small radio but still the money was not enough. He sold his small radio, borrowed some money from his brother Kanzira, He obtained items from Maama Naki a shopkeeper in nearby town. Obtained a charcoal stove from which was not being used. He received money from three students who paid in advance as a way of booking for the chapattis on that day. He then obtained all other requirements and was set to start.

On the VD, he woke up very early in the morning with his brother Kanzira who was an expert in making chapattis to start work. On that day however, it rained heavily

the whole day and parents did not turn up and even he failed to work because he was working from an open space. He made total losses all through. He then asked the head teacher to allow him start working on weekends. His life since changed. Robert now owns RobNak restaurant in Ntinda and lynGril at Garden City Mall.

Questions

- a. Show them 10 entrepreneurial qualities possessed by Robert. 10mks
 - b. Identify and show them 5 characteristics of creative people that are exhibited by Robert. 05mks
 - c. (i) Identify the legal form of ownership of Robert's business. 01mk
(ii) Advise him on the disadvantages of that form of business ownership. 04mks
2. Ouma is operating a Restaurant in town. He has run it for the last 10 years and things were going on well as it made him a rich guy and driven him into the millionaire status. After COVID things changed when the workers he had had gone for greener pastures in Saudi Arabia and found himself in a situation of hiring new workforce and whole new equipment. The number of customers reduced and therefore profits also reduced. He does not know why customers are no longer visiting his business.
- a. Help Ouma to design a tool he will use to find out why customers are no longer eating from his restaurant. 10mks
 - b. Advise Ouma on the techniques he should use to improve the quality of meals in his restaurant. 10mks

3. Below is a newspaper release of Holy Thursday with a scarely headline. Many of such things happen in food joints around. Some people say that some women go as far as mixing the food with water they have used to clean their private parts “mbu” to attract many more customers.

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National News

Suspected penis found in city restaurant food

The eatery owner and a waitress have been detained to help with investigations into the Holy Thursday incident.

BY ANDREW BAGALA

A hungry customer who ordered for himself a delectable local food in Uganda's capital, Kampala, is reeling from shock after he forked out from the beef stew what appeared a child's genital.

Police have detained two suspects the eatery owner and a waitress – to help with investigations into the Holy Thursday incident that detectives on the case described as bizarre and unprecedented.

We are withholding identities of the duo pending their arraignment in court if at all.

Mr Luke Owoyesigire, the Kampala Metropolitan Police deputy spokesman, said a trader (names withheld) informed them that he had just started eating a meal of boiled rice, steamed bananas and beef stew when he saw the strange flesh.

The customer's hunger and appetite vanished and he reported summoning the waitress who had served him

the food and both, upon close scrutiny, concluded that it was likely a male sexual organ.

"That is when they involved the police. We sent forensic experts to look at the suspicious item. Although it looked like a human organ, they were unable to conclude by observation... So, it was taken as exhibit and submitted to pathologists to examine it," he said.

It is unclear when the results of forensic examinations will be out, with delay linked to the Easter holiday running from Friday to today.

As investigations got underway, police inspected the eatery and seized saucepans in which food was cooked alongside the portion served to the complainant, taking out samples for forensic examination.

"The client told police investigators that when he scooped what he thought to be a piece of beef from the sauce, he forked out something that appeared to look like the genital of a boy," Mr Owoyesigire said.

Detectives want answers a litany of questions: is the object a child's penis

What police say: [The client] told police investigators that when he scooped what he thought to be a piece of beef from the sauce, he forked out something that appeared to look like the genital of a boy," Luke Owoyesigire, the Kampala Metropolitan Police deputy spokesman



Luke Owoyesigire, Kampala Metropolitan Police deputy spokesman

as alleged, if so, from which infant was it cut and why and how it ended up in a saucepan for preparing food for sale to the public.

customer offsite when well covered with another plate – a common manner of plating local meals.

Both the business proprietor and the waitress have denied knowledge of the suspicious flesh found in the sauce.

Police did not find anything suspicious when they scoured the eatery but many questions remain unanswered. We were unable by press time to speak to Kampala Capital City Authority which sets the rules for doing business in the capital and inspects hygiene compliance for, among others, food operators.

City Hall has previously warned members of the public to buy food only from licensed restaurants and food delivery operators.

But local cuisines from informal vendors have made the food more attractive and affordable to buyers, especially those with less disposable income or individuals yearning for local food.

According to KCCA regulations, it is illegal to vend food on the streets in the city.

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- a. Advise the government of how to protect its citizens against such and many more acts done by entrepreneurs. 10mks
- b. Advise entrepreneurs on 10 best and acceptable ways of attracting customers in their businesses. 10mks

4. There has been an observable increase in Agent banking in Uganda. This has symbolized an increase in the demand for banking services among the population of Uganda.



- Give 10 reasons to explain why there is an increase in demand for banking services among the population in Uganda. 10mks
- Give 5 reasons to explain why there is an increase in the Agent Banking in Uganda. 05mks
- What are the challenges of Agent Banking? 05mks

SECTION B

CHOOSE ONLY ONE QUESTION

5. You are an entrepreneur employing four workers who are entitled to allowances. In the month of July 2014, Joseph Mali had VAT exclusive transactions with VAT registered enterprises as follows:

Purchases	shs 1,800,000
Sales	shs 2,400,000

Calculate:

- i) VAT paid to Uganda Revenue Authority by Joseph Mali (use 18% as VAT rate) (05mks)
- ii) Total purchase price (VAT inclusive) paid by Joseph Mali (02mks)

C) The employer uses the monthly PAYE tax rate below to calculate PAYE deductions for his employees.

	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 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	(i) Shs 25,000 plus 30% of the amount by which chargeable income exceeds shs 410,000 (ii) Additional 10% is charged for income exceeding 10,000,000

Required:

Calculate the monthly amount of PAYE deductions for each of the following employees.

i.	Odokonyero	shs 380,000	03mks
ii.	Edema	shs 700,000	03mks
iii.	Amina	shs 320,000	03mks
iv.	Kakwenxa	shs 18,000,000	04mks

6. Write up a three column cash book from the following details, balance off the cash book and show the discounts in the general ledger on 30th June 1994 in the books of **MPUUGA KIGANYE TRADERS**

June 1st balance brought forward

Bank balances	shs 65,400
Cash balances	shs 2,900
<u>Debtors' accounts</u>	
Muruny	shs 12,000
Apiany	shs 28,000
Kiamy	shs 4,000
<u>Creditors' accounts</u>	
Jok	shs 6,000
Akech	shs 44,000
Arach	shs 10,000

June

2nd Muruny settles his accounts by cheque having deducted $2\frac{1}{2}$ % of cash discount

5th Arach was paid by cheque deducting 5% cash discount

10th withdraw cash from Bank for business use shs 10,000

15th Apiany settles his account by cheque deducting $2\frac{1}{2}$ % cash discount

20th paid wages in cash shs 9,200

26th Kiamy pays cash after having deducted $2\frac{1}{2}$ % cash discount

28th Akech was paid by cheque less $2\frac{1}{2}$ % cash discount

29th Ajok was paid by cheque less 5% cash discount

29th received cheques from

- Muruny shs 5,000

- | | |
|----------|---|
| - Apiany | shs 22,000 |
| - Kiamy | shs 10,000 each cheque bearing a 5% cash discount |

7. Annet started business with cash shs 5,000,000 on 1st may 2012

2nd may, purchased goods for cash shs 750,000

3rd may, opened a bank account and deposited shs 2,000,000

5th may, cash sales paid direct into the bank shs 800,000

10th may, paid salaries and wages by cheque shs 200,000

12th may, cash sales shs 1,000,000

16th may, bought motor van by cheque shs 420,000

20th may, withdrew shs 600,000 from the bank

22nd may, sold goods on credit to Freddie for shs 520,000

25th may, received a bank loan by cheque shs 300,000

28th may, received a cheque from Freddie for 450,000

30th may, bought a generator by cheque shs 6,000,000

Required:

Complete the principle of double entry and extract a trial balance at the end of the period

END