

845/1
ENTREPRENEURSHIP
EDUCATION
PAPER 1

July/Aug. 2024

2½ hours



ASSHU - KASESE JOINT EXAMINATIONS BOARD (AKJEB)

MOCK EXAMINATIONS

Uganda Certificate of Education

ENTREPRENEURSHIP EDUCATION

Paper 1

2 hours 30 minutes.

INSTRUCTIONS TO CANDIDATES:

This paper consists of section A and B.

*Section A has **three** compulsory items*

*Answer **one** item section B*

*Answer **four** examination items in all*

*Any additional items answered will **not** be scored.*

Turn Over

SECTION A

Item 1

Mabale is a remote town which is congested with many people staying in very poor slum conditions. The youths in this town do not have jobs and they have resorted to anti-social behaviors like prostitution, theft and robbery which have affected their well-being. The government has promised to provide electricity and to construct good roads in the area. You have been contacted by the chairman L.C.3 of Mabale town to advise on the behavior of the youths in the town.

Task

As a student of entrepreneurship education,

- (a) Advise the youths of Mabale town on the different business ideas they can generate from their environment. (10 scores)
- (b) Help the youths of Mabale to understand the factors that they will consider while selecting the business ideas. (10 scores)

Item 2

A group of five retired government employees intend to start an income generating business in their village. The retired government employees intend to start up a juice project that will create employment opportunities for the youths and the farmers in the village. The proprietors have contacted you to help them in the following.

Task

- (a) Prepare a production plan for the proposed project. (10 scores)
- (b) The steps the proprietors will follow when formalizing their project. (10 scores)

Item 3

No country in the world that is self-reliant in all resources. All countries must depend on one another for its/her citizens to survive. This can only be achieved through disposing off her surplus produce and get access to what it does not produce. Uganda is a land locked country but have continued survive through her participation in this system.

Task

- (a) As a student of entrepreneurship, why should your country adopt the above system stated in the scenario. (10 scores)
- (b) Advise on the likely challenges that may affect the operation and success of the nature of the exchange system stated in the scenario. (10 scores)

SECTION B

Answer one item from this section

Item 4

Three wisemen enterprises is a partnership business owning a wholesale shop in Kabwe town council. In the year 2023, the enterprise recorded transactions for the month of August which were never entered in the respective book of accounts following the resignation of the enterprise senior accountant.

The transactions that were recorded in the month of August 2023, were as follows.

Date	Details	UGX
1 st August 2023	Cash (Dr)	2,300,000
	Bank (Cr)	650,000
	Creditors	
	Jackson	1,200,000
	Julius	150,000
	Debtors	
	Akim	245,000
	Jerome	800,000
2 nd August 2023	Bought goods for sale by cash	1,750,000
3 rd August 2023	Paid wages in cash	230,000
5 th August 2023	Sold goods by cheque	1,280,000
8 th August 2023	Paid electricity by cheque	35,000
9 th August 2023	Paid Julius by cheque less 5% discount	
11 th August 2023	Bought stationary by cash	50,000
18 th August 2023	Received cash from Jerome in full settlement for his debt.	778,000
18 th August 2023	Bought vehicle by cheque	3,500,000
19 th August 2023	Cash sales	980,000
22 nd August 2023	Paid salaries for workers in cash	485,000
24 th August 2023	Akim paid his debt fully by cheque	
27 th August 2023	Withdrew money from bank for personal use	66,000
30 th August 2023	Cashed a cheque	120,000
31 st August 2023	Paid Jackson a creditor less 4% discount in cash	

Task

You have been approached by the proprietors of three Wisemen enterprises to help them prepare a three column cash book for their enterprise. (20 scores)

Item 5

In the year 2022, Mr. Kawele - wele mobilized some financial resources to start a restaurant in Kyabugimbi Town Council. However, he lacked some book keeping skills and could always hire a special accountant to assist him to balance his books of accounts only on a weekly contract. His business revealed the following balances for the year which ended on 31st, December 2022.

Details	UGX
Capital	50,888,000
Cash	45,000
Purchases	69,185,000
Sales	92,340,000
Land	14,320,000
Building	2,000,000
Debtors	14,320,000
Creditors	8,160,000
Drawings	7,620,000
Bank	2,970,000
Carriage outwards	420,000
Carriage inwards	1,570,000
Return on purchases	640,000
Salaries	10,240,000
Transport	3,015,000
Telephone	624,000
Tax	405,000
2 year bank	5,377,610
Interest	216,000
General expenses	318,000
Opening stock	18,160,000
Sales returns	12,000,000

Closing stock was valued at shs.22,390.

Task

- Prepare Kawele-wele's relevant statement to determine his business profitability. (10 scores)
- Determine his financial position using a relevant financial statement as at 31-12-2022. (10 scores)

END