**ANNUAL ENTREPRENEURSHIP GRAND SEMINAR TO BE HELD AT MIDLAND HIGH SCHOOL KAWEMPE ON 30TH/JUNE/ 2024 ON COMPETENCY BASED CURRICULUM**

**TESTING ITEMS**

**SECTION A**

1. Miss kisintu owns a very big chuck of land stretching to a swamp, however she is very stuck on how to utilize it productively.
2. Guide her on the most viable business opportunities she can embark on.
3. What factors will aid her production process and how are they rewarded?
4. Guide her in the steps she will take when commencing her business activities.
5. Advise her on the entrepreneurial characteristics she must possess in order to become successful.
6. What innovations can she make in her business?
7. Kasim and his other four friends saved some money to start up a small scale business in their locality.
8. What type of business ownership is this?
9. List the advantages and costs they may face for operating such a business
10. Help them to design the guidelines they should fellow when conducting the business
11. If more 20 members join the team, guide them through the documents they require for their business formation and help them to register it
12. Mr kapere, a farmer in Mukono district decided to concentrate on growing cotton ignoring other cash crops because he is conversant with cotton growing than any other crops.
13. What are the benefits and costs of Mr Kapere’s act of concentrating at only one crop?
14. Guide him on factors to consider when selecting his farm equipment.
15. Advise him on the modern ways of conducting his business
16. How best can he distribute his products to reach the final consumers?
17. Guide him on the steps he can take to identify his market shares in the district and on the best methods he can use.
18. You have been appointed by one of the financial institutions in Uganda

to sensitize the public on the operation of financial institution in your country

1. Guide them through the challenges they are likely to experience when exchanging their goods for goods
2. Show them how the coming of financial institutions has re- addressed all the above challenges.
3. Help them to open up an account in any of the financial institution, how to deposit and withdraw money from it.
4. Take them through the new trends that are introduced in these financial institutions to simplify work.
5. Mr.Serwanga George started a bakery project in his village called Namuyeje using his personal savings of shs 3,000,000. He started it as a small business but kept on expanding due to good quality services he renders to his customers, He wants to enlarge his business to meet the increasing demands of his customers but he lacks enough resources, so he is in a dilemma on what to.
6. Advise Mr. serwanga George on the possible ways of raising finance for his business expansion.
7. Guide Mr. Serwange in the preparation of the analysis of the projected financial needs and requirements for the business
8. Apart from the one stated above, Describe the other elements he will consider when preparing the well written document that will describe all the requirements that are needed in starting and expanding his business
9. How helpful is the above document to his success?
10. Help Mr Serwanga to develop business goals and objectives.
11. Mr.. Milton dropped out of school in S.2 due to lack of school dues because he was coming from a poor family. He started working as a potter at different building sites and he was earning as little as Shs 10,000 per month. Within two months he had raised enough capital to start up a fruits selling business in Kawempe town. He was very honest, fair, respected his customers and sold high quality fresh fruits. However he faced a challenge of many bad debtors who failed to clear their debts because he could not recall them and also he used to mistake the business cash for personal use.
12. What behavioral principles did Mr. Milton practice when conducting his business?

(ii) How did such practices help him to become a successful entrepreneur?

1. Guide Mr. Milton on how best he can overcome the challenge of mistaking the business cash for personal use
2. Take him through the different source documents and books of accounts he can maintain in his business
3. How relevant are those records to the success of his business
4. Mr Sekajje Cyrus sold part of their family land to start up a car importing business from japan. the first time , he imported 10 masidish benz and while on transit, the car carrier got an accident leading to total destruction; However Mr Sekajje was wise enough that he had covered all those cars against accidents with Excel company. On the inspection by the assessors, they found that there was a close connection between the loss and the incidence so excel company replaced all his cars and he is now happily in a business.
5. How did Mr Sekajje receive the cover?
6. Apart from the stated one in the scenario, What other guidelines did he follow when taking the cover
7. What other uncertainties is he likely to face while managing such a business?
8. List the documents which were involved when making the contractual relationship between excel and Mr. Sekajje.
9. Uganda is well known for producing cash crops such as coffee, cotton and tobacco due to its fertile soils. However it is experiencing scarcity of some products like petroleum and machines which it can’t produce locally. Through holding the presidential meeting with the different advisors, the president was advised to start exchanging cash crops with other countries to get products it can’t produce locally and the advice was taken.
10. How may the Ugandans benefit from the advice given to the president?
11. What are the likely hazards that may arise if the president takes the advice?
12. As a senior four entrepreneurship student, advice the president on the different strategies to be applied to overcome the above hazards.
13. List the documents that may be involved during the process.
14. Miss Nagawa Abigail commenced a diary in kawempe division; however she wanted more profits out of her sales. She decided to start selling diluted milk, giving out wrong measurements and selling expired products. This affected her sales.

She also went ahead by abusing and shouting to her customers, this made her business to collapse in a period of one month.

1. As an entrepreneurship student, advise Miss Nagawa on the different methods she can use to gain her sales
2. What challenges may she face when conducting the above activities
3. Guide Miss Nagawa on the different Business Laws she has to comply to when conducting her business activities.
4. How relevant are these laws to the consumer.
5. What elements will Miss Nagawa consider when designing a marketing tool to be used in data collection?

**SECTION B**

1. **Midland high school had the following records as at 31st December 2023**

**DR (shs)’000’ CRshs)’000’**

Sales 128,000

Purchases 90,000 5,000

Returns 6,000

Carriage in wards 10,000

Stock(1.12.2023) 28,000

Rent 4,000

Advertising 8,000

Premises 122,000

Machinery 75,000

Debtors 18,000

Creditors 31,000

Bank loan 60,000

Cash in hand 14,000

Cash at bank 27,000

Drawings 10,000

Discount allowed 5,000

Discount received 6,000

Commission received 20,000

Capital 190,000

Carriage outwards 8,000

Wages and salaries 15,000

**440,000 440,000**

It also had unsold goods on 31 /12/2023 which were valued at shs 48,000,000

1. Guide the school bursar in the preparation of the financial statement that will help him to tell if the school is making a net profit or loss at the end of the year.
2. Prepare the statement that shows the financial position of the school

(c) How best can the above financial statements be used?

1. **JETI EMPORIUM** started a business on 1st January 2022 with capital in case of shs 4,000,000. During the month ,the company carried out the following transactions

1st Bought goods for resale by cash ………………………Shs 400,000

2nd sold six necklaces by cash……………………………..Shs 600,000

4th Bought ten stoves by cash……………………………..Shs 500,000

6th Sold eight necklaces by cah……………………………Shs 960,000

10th Sold ten rings on credit to Kato…………………….Shs 1,000,000

12th Bought 10 rings from SEIKO CO. on credit …… Shs 750,000

23rd bought for cash 12 Rings…………………………….Shs 600,000

25th paid general expenses for cash……………………..Shs 400,000

28th sold 17 rings to Kato………………………………….Shs 1,700,000

30th paid wages to shop assistants …………………….Shs 2,000,000

31st paid Seiko co,………………………………………….Shs 750,000

31st received cash from Kato……………………………Shs 1,000,000

**Required**

1. Post the above transactions in **JETI EMPORIUM** ledger accounts.
2. Check the arithmetic accuracy of the above entries

Advise **JETI EMPORIUM** on the financial mistakes that may affect the arithmetic accuracy of the above entries and how they can be corrected

1. Mr. Wante commenced a business on 1st may 2020 with

Cash in hand …………………………………………………..Shs 4,927

Cash in bank……………………………………………………….Shs 5,326

He made the following transactions there after

2nd sold goods by cheque shs 2,970

4th deposited cash in to bank shs 6,200

5th cash drawings shs 970

9th sold goods for Shs 4,920 less 21/3% discount

10th withdrew cash from bank for business use Shs 5,450

12th bought goods for sale Shs 7,000 less 5% cash discount

13th sold goods by cheque shs 1,257

15th paid cash into bank Shs 2,115

18th paid insurance Shs 1,790

24th sold goods for Shs 4,113 less 71/2% discount

28th paid the following by cheque in each case deducting a discount of 2%

Owol Shs. 5,000

Okol Shs 4,800

31st deposited cash into bank Shs 1,457

1. Help Mr wante to prepare the appropriate book of original entry for above information
2. MAMU Enterprises maintains a minor cash book on the imprest system, with analysis columns, motor expenses, postage, general cleaning, travel expenses at the ledger. Below are the transactions for the month of September 2020

|  |  |  |
| --- | --- | --- |
| 6th September | The chief cashier gave shs 300,000 shs a float to the petty cashier |  |
| 2nd September | Bought patrol for the van | 16,000 |
| 3rd September | Paid travel expenses for staff | 23,000 |
| 3rd September | Paid for postage | 12,000 |
| 4th September | Paid travel expenses for staff | 32,000 |
| 7th September | Paid for general cleaning | 11,000 |
| 9th September | Bought petrol for the van | 21,000 |
| 12th September | Paid travel expenses for staff | 13,000 |
| 14th September | Bought petrol for the van | 23,000 |
| 15th September | Paid travel expenses for staff | 5,000 |
| 16th September | Paid for general cleaning | 11,000 |
| 18th September | Bought petrol for the van | 22,000 |
| 20th September | Paid postage | 12,000 |
| 22nd September | Paid for general cleaning | 11,000 |
| 24th September | Paid travel expenses for staff | 7,000 |
| 29th September | Settled accounts of Mr.. C. Brown | 13,000 |
| 30th September | Paid for postage | 12,000 |

**Required to:**

1. As a newly recruited Asst cashier, help the senior cashier to record the above information into the appropriate book of accounts and show the relevant ledger entries
2. Explain the roles you will play in an enterprise as a junior cashier.
3. **KALUNGI Enterprises had the following records for the month of August 2023**

|  |  |  |
| --- | --- | --- |
| **Description** | **No** | **Amount(Shs**) |
| **Incoming invoices**  August1st Apio  6th Atem  17th Locheng  28th Apima  29th bought 4 kgs of beans each at 5000 from okello. | 01  03  07  09 | 400,000  800,000  750,000  820,000 |
| **Outgoing invoices**  August 3rd Liz  8th Becky  25th Betty  26th sold 5 boxes of Safi each at 10,000 to Sara less 2% discount. | 02  04  08 | 620,000  440,000  380.000 |
| **Incoming credit note**  9th Atem | 05 | 50,000 |
| **Outgoing credit note**  11th Becky  30th Betty  30th received returns 3 boxes of Safi from sarah | 06  10 | 40,000  70,000 |

1. Guide Kalungi enterprise to post the above information to the appropriate books of accounts and open up the relevant ledger accounts.
2. What were the reasons for issuing a credit note?
3. URA has advertised a job opportunity for tax education officer and Mr Kamukama has applied for the position, However he is ignorant about tax administration

As an entrepreneurship student take kamukama through the following

1. Obligations and rights of a tax payer
2. Elements of tax compliance
3. Benefits of being tax compliant
4. The different taxes collected by URA and local authorities
5. The following are records of TOTO business Enterprises

|  |  |  |  |
| --- | --- | --- | --- |
| **STAGES** | **ACTIVITY** | **PURCHASING PRICE** | **SELLING PRICE.** |
| 1.  2.  3  4 | Importation at customs  Local distribution  Wholesale distribution  Retailer  Consumer | 20,000,000  20,000,000  24000,000  30,000,000  40,000,000. | 20,000,000  24,000,000.  30,000,000  40,000,000 |

Required; Compute VAT Payable at each Stage of product distribution.

ii) Mention any two advantages of paying VAT.

1. Melisa is an employee of Toto Enterprises where she earns a total annual gross salary of shs.8, 400,000 per year. This means Melisa falls under 4th income brackets.

**Other employees also earn the following monthly salaries.**

Okello. Shs………200,000

Okumu Shs………300,000

Otimu……………. 500,000

Tonny……………15,000,000.

**Use the following table**.

**The table below shows the monthly PAYE tax rates in Uganda.**

|  |  |
| --- | --- |
| **Monthly income** | **Tax rate/liability** |
| Not exceeding shs 235,000 | Nil (zero) |
| Exceeding shs 235,000 but not exceeding shs 335,000 | 10% of the amount by which chargeable income exceeds shs 235,000 |
| Exceeding shs 335,000 but not exceeding shs 410,000 | Shs 10,000 + 20% of the amount by which chargeable income exceeds shs 335,000. |
| Exceeding shs 410,000 | -Shs 25,000 + 30% of the amount by which chargeable income exceeds shs 410,000.  -Where chargeable income exceeds shs 10,000,000, an additional 10% is charged on incomes exceeding shs 10,000,000. |

Guide Mr kamukama on how to

**i**) Compute the monthly PAYE of the above employees.

ii) Determine the annual PAYE paid by Okumu.

d) Otto Enterprises hires out some rental houses where it operates from and it collects monthly rental income of shs 80,000 per house from four houses.

Use Shs 2,820,000 as tax free allowance and 12% as the rental tax rate.

**Help Mr kamukama to determine**

1. Gross annual rental income.
2. Net rental income.
3. rental income tax liability paid to URA