

P845/1
ENTREPRENEU
RSHIP
EDUCATION
PAPER 1
JULY/AUG 2024
2¹/₂ hours



**ASK INTEGRATED TEACHER'S MOCK
EXAMINATIONS BUREAU**

AITEL JOINT MOCK EXAMINATIONS.

Uganda Certificate of Education

Entrepreneurship Education

Paper 1

2 Hours 30 Minutes

Instructions to Candidates:

This paper consists of Sections A and B. It has five Assessment Items.

*Section has **three** compulsory Items*

*Answer **one** item from Section B*

*Answer **four** Assessment items in all.*

Any additional items responded to will not be scored.

All answers must be written in the Response booklet provided.

SECTION A

Answer *all* items in this section

Item 1

Afande Kasingye is a retired police officer who lives in Ntungamo District, Western Uganda. Before his retirement, he established Namara farm on his 20 acres of land he inherited from his late father. On this farm he grew mangoes on a large scale hoping that one day it will cater for his retirement. Recently it was a harvest season and all the mangoes were ready for consumption. However, he is still confused on what to do because the mangoes are very many and he feels he needs to do more than just selling the mangoes. Afande Kasingye has always dreamt of establishing a juice processing factory named “Kasingye Juice” in his home town and he feels this is the right time to do so. He also saved Shs 50,000,000 and would wish to seek for more funds in order to raise startup capital.

Support material:



Task:

- Advise Afande Kasingye on the other sources of Business startup finance that he can explore except his personal savings.
- Draft an Analysis of the projected needs for producing mango juice as proposed by Afande Kasingye.
- Advise Afande on how best the people of Ntungamo and other parts of the country can get to know about juice.

Item 2

Traders in Kampala and surrounding districts recently closed their shops as they were expressing their dissatisfaction with the way VAT is collected using the electronic Fiscal Receipting and Invoicing Support (EFRIS) and the other heavy taxes imposed on them.

The traders claim this system is very expensive and they also have other taxes they pay which increases on the burden they already have. They also claim the penalties charged for non-compliance are too hefty.

Support Material:



Task:

- What are the merits of using Electronic Systems to collect taxes?
- What measures should the Government undertake to avoid such instances of traders striking over taxes and ensure tax compliance?
- Except VAT, mention any other taxes paid by traders and employees in Uganda.

Item 3

Osmosis is an importer of new cars from Japan. He also owns a car bond from which he sells the imported cars in Nakawa Kampala Uganda. It is always a requirement for the imported cars to be insured on transit and Osmosis has to cover this cost before the cars are shipped into the country.

Support material:



Task:

- How does Osmosis benefit from this type of trade?
- Describe the documents Osmosis uses while carryout out this type of business.
- Why is it important to insure imports and exports?

SECTION B

*Answer **one** item from this section*

Item 4

During the S.4 first term holiday 2024, you were temporarily employed as a cashier by your parents in their supermarket which is located in Mukono Town known as JK Supermarket since the cashier had gone for further studies. On starting work you were availed with the following records for the previous month of April 2024.

April 2024

1st Commenced business with cash in hand Shs 5,540,000 and cash at bank Shs. 4,680,000.

2nd Bought goods by cheque Shs 1,160,000.

3rd Sold goods and received cash Shs 2,480,000.

4th Took cash from the business for home use Shs 240,000.

8th Withdrew Shs 300,000 from the bank for business use.

11th Paid rent by cheque Shs 1,500,000.

12th Banked cash Shs. 2,400,000.

15th Cashed a cheque Shs. 490,000.

16th Received cash from Alex Shs. 3,500,000.

18th Sold goods Shs. 900,000 and received a cheque.

19th Incoming invoice from Isaac Shs 920,000.

20th Outgoing invoice to Moses Shs. 490,000.

21st Credit sales to JK Traders Shs 1,200,000.

22nd Bought goods on credit from J.P Suppliers worth Shs 5,500,000.

23rd Sold goods on credit to Samuel Shs 410,000.

28th Cash sales paid directly into the bank Shs 1,040,000.

30th Paid salaries Shs 3,000,000 by cheque.

Task:

Record the above information in the necessary subsidiary books of accounts for the month of April 2024.

Item 5

Nalukenge Traders has temporarily appointed you to help them prepare necessary financial statements using the Trial Balance below as at 31st/12/2023.

Details	Amount (Shs)	Amount (Shs)
Inventory (01/01/2023)	1,200,000	
Purchases/Sales	72,000,000	130,000,000
Returns	10,000,000	1,500,000
Advertising	4,900,000	
Premises	13,000,000	
Capital		103,200,000
Carriages	3,000,000	
Discounts	800,000	500,000
Debtors/Creditors	1,800,000	15,500,000
Bank	14,000,000	
Salaries	15,000,000	
Furniture	6,000,000	
Drawings	11,000,000	
Motor van	117,000,000	
Cash	3,000,000	
TOTAL	283,500,000	283,500,000

Task:

- a) Prepare an account to determine the Net profit/Loss.
- b) Ascertain the financial position of the business.

END