

WAKISSHA JOINT MOCK EXAMINATIONS

MARKING GUIDE

Uganda Advanced Certificate of Education
ENTREPRENEURSHIP EDUCATION P230/2

July/August 2024

Jagroh

C-E



1. (a) Loan Repayment Schedule

TITLE & Name & Address
Loan size : 6,000,000
Source : SACCO NAME.
Installments : 6
Interest rate : 10% on Reducing Balance

LOAN REPAYMENT SCHEDULE
Repayment period: SIX MONTHLY
Method of payment: Reducing Balance

Period	Principal (Shs)	Interest (Shs)	Total (Shs)	Balance (Shs)
1	1,000,000	6,000,000 100,000	1,600,000	5,000,000
2	1,000,000	5,000,000 50,000	1,500,000	4,000,000
3	1,000,000	4,000,000 40,000	1,400,000	3,000,000
4	1,000,000	3,000,000 30,000	1,300,000	2,000,000
5	1,000,000	2,000,000 20,000	1,200,000	1,000,000
6	1,000,000	1,000,000 10,000	1,100,000	_____

Details of the lender

Signature
Name
Title

Fill in

Details of the Borrower

Signature
Name
Title
Title
Blank

Title: 1 mk
Borrower 1 mk
Table 4 marks
Borrower 1 mk
Lender 1 mk
(06 marks)

(b)

Credit policy for the organization

- Title (name & Address plus doc. Identity)
- Loans shall be issued at an interest rate of
- Loans shall be offered to only members of the SACCO.
- Loans shall not exceed a period of *Refer to d.*
- Loans shall be offered with reputable guarantors either 2 or
- Loans shall not exceed a period of From application to acquisition.
- Loans shall be offered to clients with relevant identification i.e. National ID's or..
- Loans shall not exceed Ug Shs or shall not be below ug shs
- Loans shall be offered to clients with in (Area) or its open

Statement of Benefit ½ mk
Provision of Relevant Example ½ mk
Any 07 x 1 = 07 marks
Total = 07 marks

(c)

Administrative plan

- Title (name & Address plus doc. Identity)
- People to work in the business. *and the Supervisors*
- Number of workers
- Source of workers
- Organization chart / hierarchy
- Duties and responsibilities. *of Staff*

- Motivation policies.
 - Remuneration / payment methods.
 - Performance appraisal / merit rating assessment.
 - Qualifications / academic credentials. *y Staff*

Title = 01 mark

Any 5 x 1 = 05 marks

Total = 06 marks

- (d) Benefits of the project to the community

 - Provision of employment e.g. to be ~~stocco~~ managers, Accountants, Cashiers, ~~Food~~ employees, designers of ~~space~~, ~~damnes~~
 - Market for local goods
 - Provides services e.g. loans
 - Provision of skills i.e. study, Centre – skilling programs.
 - Provides security to the community.
 - Provides co-operative social responsibility (gives back to the community e.g. sponsorships.)

- Provides co-operative social responsibility to sponsorships.
- Revenue to government and Local Community
Any 5 x 1 = 05 marks

- Facilitates development of infrastructure by Roads, ~~Interest on Savings~~, ~~Expt 1 m~~
- Source of income ~~from their clients~~ ~~of mkt~~
- Acts as ~~Statement of Cash Flows~~ ~~BUDGET~~ ~~of mkt~~

FOR THE MONTHS OF JANUARY, FEBRUARY AND MARCH 2022.

DETAILS	JANUARY (SHS)	FEBRUARY (SHS)	MARCH (SHS)
Balance b/f	10,000,000	36,200,000	87,580,000
<u>Add cash inflows</u>			89,560,000
Cash sale	31,500,000	63,000,000	56,000,000
Receipts from debtors		13,500,000	27,000,000
Commission income	5,000,000	5,500,000	6,050,000
Receipts from debtors	15,000,000	9,000,000	6,000,000
Sale of old van		12,000,000	
Rental income	1,000,000	1,080,000	1,166,400
Bank loan	6,000,000		
Total cash inflows	68,500,000	140,280,000	185,796,400
<u>Less cash outflows</u>			185,796,400
Purchase of units	20,000,000	12,000,000	10,000,000
Labour costs	3,500,000	3,500,000	4,550,000
Purchase of delivery truck		15,000,000	5,000,000
Administrative expenses	4,000,000	4,000,000	3,800,000
Cash drawings	500,000	12,000,000	
Cash donations	2,000,000	2,000,000	2,000,000
Loan principal payment	2,000,000	2,000,000	2,000,000
Loan interest payment	300,000	200,000	100,000
Total cash outflows	32,300,000	50,387,000	27,450,000
Net cash position	36,200,000	89,194,580,000	158,346,400

Net cash position	36,200,000	87,101,500	113,301,000
Comment: The business had a cash surplus of UGX 36,200,000, if had a cash surplus of UGX 89,580,000 in Feb and a cash surplus of UGX 158,346,140 in March. The cash flows are positive and increasing.	Any 4 ticks x 1/2 = 2 marks		

3. (a) Induction programme
- Guided tour around premises
 - Introduction to Board, shareholders and HODs
 - Introducing worker to other support staff
 - Providing necessary resources and getting ready for work
 - Title (name & Add plus doc. Identity)

Period	Activity	Person in charge	Remarks
Monday			
Tuesday		Fill	
Wed	Fill		Blank
Thur			
Fri			

Prepared by
Fill

Approved by

Blank

~~1/1~~

~~1/1~~ Title = 01 mark ~~1x1~~

Activities = Any 3 x 1

Others

= Any 4 x $\frac{1}{2}$ ~~2x1~~

= 06 Marks

Note: It can also be presented on a single day using hours.

If it can also be presented on a single day using hours.

The statement Theory of change

(b) Theory of change

- Title (name and address plus doc. Identity)
- Summary of the vision. ~~ie Reduction Provision of Better Waste management~~
- Input ~~ie Funds, Tractors, waste management machines, landfills, programs~~
- Activities ~~ie Waste collection, Recycling, Training, waste separation, Reuse~~
- Impact ~~Poor waste disposal reduced by 30 percent in our~~
- Outcome. ~~Proper management of waste, pollution management across~~

~~1/1~~ Any 6 x 1

Total = 06 marks

~~Any 5 x 1 = 01 n~~

(c) Strategies for sustaining the project

- Title (name & Address plus doc. Identity)
- ~~Avoiding offering free services~~
- Re-investing profits
- ~~Advertising the project~~
- Training employees
- ~~Abiding by government rules & regulations~~
- Lobbying for government support.
- Inviting investors / funders into the project / ~~Promoting saving for the future~~
- Lobbying for tax exemptions and other economic incentives.
- ~~Fair pricing~~
- Re-using the plastics and re-usable wastes involving community members in project activities.

Offering quality services involving the business.

- Proper accountability and transparency.
- Using Locally available resources and labour.
- Promoting democratic Leadership.
- Ensuring Community involvement in Activities.
- Diversifying the business / Dealing in many Activities.

Title = 01 mark

Any 6 x 1 = 06 marks

Total = 07 marks

(d)

A weekly work schedule should show the following

Title Business name

Address

Contact

Weekly work schedule for employees

DAY	Name of employee	Nature of work	Start time	End time	Supervisor	Remarks
Monday						
Tuesday						
Wednesday	Fill in	Fill in	Fill in	Fill in	Fill in	Blank
Thursday						
Friday						

Any 10 x 1 = 05 mks.

1.

Blank

4. (a)

Pre-operating expenses for the groundnuts millings project include the following.

- Registration /licensing
- Renting of premises.
- Installation cost for utilities.
- Recruitment costs i.e. for employees.
- Promotion costs like advertising.
- Administrative costs e.g. salaries to the top management.
- Consultation fees above the project.
- Production trial costs.
- Market research costs.
- Land clearance fees.
- Business plan formulation costs

Any 5 x 1 = 05 mks.

(b)

Projected production cost statement should show the following;

- Title showing business Name and Address.
- Document Name i.e. projected production cost statement.

Details	Amount (UGX)
Raw materials	
Rent <i>Direct Rent</i>	
Electricity	
Store keeper wage	
Transport	
Wages and salaries	
Machinery repair	
Machinery depreciation	
Direct expenses	
Total	2,000,000

(c)

Guidelines used to selecting suppliers of raw materials for the project include:

- Title which shows the business Name, address and the statement of guidelines used to select suppliers of raw materials.
- Suppliers who can supply groundnuts to the project throughout the year shall be selected i.e. reliability.
- Supplier who can supply quality groundnuts shall be selected.
- Supplier who can supply groundnuts at a favorable price shall be selected.
- Supplier located within the area around the business shall be selected.
- Supplier with a shortest lead time shall be selected.
- Supplier with a favorable terms of payment shall be selected.
- Supplier who can easily be communicated to shall be selected.
- Supplier who can easily supply ground nuts at a favorable terms and conditions shall be selected.

Name and Address = 01 mark

Any 5 policies x 1 = 05 marks

06 Marks

Lessons shall be or try

No Speculation - it shall be required

— NO personalisation —

(d) A plan for conducting personal selling should show
Title Business name
Address
Contact
Plan for conduct

Plan for conducting personal selling.

Date	Activity	Person in charge	Remarks
Start with current date	<ul style="list-style-type: none"> - Developing pre-customer contact / <i>Initial Preparation</i> - Prospecting - Making initial contact / <i>Approaching</i> - Presenting the product / <i>Demonstrating products</i> - Handling objections - Closing the sale - Suggestion selling - Making sales follow up 	Fill in	Blank

Prepared by } Fill in Approved by } Blank

6 marks
Title 1 mark
Any 3 activities x 1 = 3
Any other 4 x $\frac{1}{2}$ = 2
= 6

5. (a) (i) Shamim – Shs 2,520,000

Monthly 2,520,000
12

Converting to monthly \downarrow

Shs. 210,000
20,000
 230,000
 NIL - Because the amo
 of Shs 235,000.

~~does not Exceed~~
is below the threshold amount
Reason for not paying 1

 Shakirah - 3,600,000

Monthly - Shs 300,000

$$\frac{40,000}{340,000}$$

Converting Time

$$\text{Pays} = 10,000 + \frac{20}{100} \times 340,000 - 335,000. \quad (\text{Substitute})$$

$$= 10,000 + \frac{20}{100} \times 5000$$

$$= 10,000 + 1000$$

= Shs 11,000

A 2

Shadrak 9600

Shatrughan's Net pay = Gross pay - total deductions

$$= 900\,000 - (142\,000 + 200\,000)$$

$$\equiv 900\,000 - 342\,000$$

$$\begin{aligned} &= 900,000 - 342,000 \\ &= \text{Shs } 558,000 \quad 528,000 \\ &\rightarrow 9,10,000 \end{aligned}$$

~~\$1,000~~ Converting P

$$= 25000 + \frac{3}{5} \times 900000 - 410000$$

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$$= 25000 \times \frac{100}{120} \times 490,000 - 116 \times 122,000 \quad \text{Answer } \underline{\underline{1}}$$

2 marks

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(i) Sharon = 4,800,000
Monthly 400,000 *Converting 1 m*

$$\text{Pays} = 10,000 + \frac{20}{100} (400,000 - 335,000)$$

$$= 10,000 + \frac{20}{100} (65,000) \quad \text{Substitution 1}$$

$$= 10,000 + 13,000$$

$$= \text{Shs } 23,000 \quad \text{Ans}$$

(ii) Shakul = $\frac{132,000,000}{12}$
Monthly = 11,000,000
300,000
= Shs 11,300,000

Ans

Converting 1

$$= 25,000 + \frac{30}{100} (11,300,000 - 410,000) + \frac{10}{100} (11,300,000 - 1,000,000)$$

$$= 25,000 + 3,267,000 + 130,000 \quad \text{Substitution 2}$$

$$= \text{Shs } 3,452,000 \quad \text{Ans}$$

Total paid

$$= 11,000 + 172,000 + 23,000 + 3,452,000 \quad \text{Substitution 1}$$

$$= \text{Shs } 3,648,000 \quad \text{Ans}$$

(b) (i)

Jackie ~~Annual rental income~~ = ~~Annual rent tax rate~~ \times ~~chargeable rental income~~
Gross annual income $\frac{12}{100}$
= monthly rental income \times 12
= 800,000 \times 12
= 9,600,000 *m*

Chargeable rental income

= Gross rental income - Threshold

$$= 9,600,000 - 2,820,000$$

$$= 6,780,000 \quad \text{S1}$$

Rental income tax

= Rental income tax \times Chargeable rental income

$$= 12\% \times 6,780,000$$

$$= \text{Shs } 813,600 \quad \text{Ans}$$

(ii)

Jane ~~Annual tax rate~~ \rightarrow ~~Chargeable rental income~~ $\frac{12}{100}$
= 1,000,000 \times 12 *m*
= 12,000,000 *m*
= 12,000,000 - 2,820,000
= 9,180,000
12% of 9,180,000 *S1*
 $\frac{12}{100} \times 9,180,000$
= Shs 1,101,600 *Ans*

OR MONTHLY

Rental tax = ~~Rental tax rate~~ \times ~~Monthly rental income~~

$$= \frac{12}{100} \times (800,000 - 235,000)$$

$$= \frac{12}{100} \times 565,000$$

$$= \text{UGX } 67,800$$

Jane monthly:

$$\frac{12}{100} \times 1,000,000 - 235,000$$

Even learners who vote

$$\frac{12}{100} \times 765,000$$

Monthly contribution should be

$$\frac{12}{100} \times 765,000$$

$$= \text{UGX } 918,000$$

(c) Stage I VAT = Output VAT - Input VAT

$$\frac{18}{118} \times 3,000,000 = 0$$

$$= \text{Shs } 457627.1$$

Stage II
 For 2nd
 Sub 1st
 $\frac{18}{118} \times (4,500,000) - \frac{18}{118} (3,000,000)$ or $\frac{18}{118} \times (4,500,000 - 3,000,000)$
 Ans = $686,440.7 - 457,627.1$
 = Shs 228813.6
 = UGX 228813.6

Stage III
 $\frac{18}{118} (5,500,000) - \frac{18}{118} (4,500,000)$ or VAT ratio x Value Added
 = 838983.1 686440.7 = $18 \times (5,500,000 - 4,500,000)$
 = Shs 152,542.4

VAT Myrtle = VAT at all stages: $457627.1 + 228813.6 + 152542.4 = 838983.1$ Total abc = 25 marks

6. (a)

Business name

Address

Contacts

$$= 152,542.4 = 838,983.1 = UGX. 152,542.4$$

1 mark

6 (a)

Business name & Address plus statement;

Guidelines followed to minimize risks.

- Insurance policy shall be undertaken to minimize risks
- Credit sales shall be restricted to guard against bad debtors.
- Protective gears shall be provided to protect workers against harm.
- Training of staff shall be ~~done~~ insured to avoid making mistakes and accidents.
- Fire extinguishers shall be installed and workers trained incase of any fire outbreak.
- Technology shall be up graded to meet customers tastes and preferences.
- Competition shall be managed through diversification.
- Alternative sources of ~~utilities~~ shall be used to reduce costs.
- Machines shall be serviced monthly to avoid break down.
- Costs of production shall be minimized by purchasing from cheaper sources
- Security shall be tightened to avoid losses caused by thieves

Any 7 x 1 = 7 marks
 If 7 = 1 mark

Any 6x1 = 6 marks

(b) Business name

Address

Contacts

Plan followed to cover money from debtors.

Date	Activity	Person in charge	Remarks
Fill in current date	<ul style="list-style-type: none"> - Identifying debtors <i>Documenting Debtors</i> - Arranging debtors according to credit period - Sending polite reminders to all debtors. - Receiving <i>Collecting</i> money from debtors - Updating debtors records <i>Making Statement of account</i> - Sending last reminders to defaulters - <i>Warning</i> publishing defaulters - Taking legal action 	Fill in	Blank

Prepared by
.....
.....

Fill in

Approved by sign.....
.....
Title.....

Blank

6 marks

(c)

A memo should have

- Business name and address.
- Business logo
- Document name "MEMO"
- Date of writing
- TO
- From
- Subject line ~~Purpose~~
- Body ~~Date & Activity~~
~~Venue & Delivery & time~~
- ~~Appealing phrase~~
~~Assurance / Compelling Clause~~
- ~~Completing clause~~
~~Complementary Clause & terms to inform~~
- ~~Signature, Name & title of Author or Management~~

Title = 1 mark

Any 3xActivities = 03

Any Other 4X $\frac{1}{2}$ = 02

66

Any $12 \times \frac{1}{2} = 06$ m
an

(d)

A pay slip should bring out

- Business name and address
- Period of payment
- ~~Employee designation~~
- ~~Name of employee~~
- ~~Employee TIN~~
- Basic pay
- ~~Account no.~~
- ~~Bank name~~
- Deductions
- Net pay

~~Signature~~

.....
.....

Any 6 x 1 = 6 marks

Any 6 x 1 = 6 marks

~~Frame~~

Received by : Signature ——————
Name ——————
END
Position / Title ——————

~~Frame~~