

845/1
Entrepreneurship
Education
Paper 1
2024
2½ hours



JOURNEY OF SUCCESS EXAMINATIONS BOARD

Uganda Certificate of Lower Secondary Education

ENTREPRENEURSHIP

Paper 1

2 hours 30 minutes

INSTRUCTIONS TO CANDIDATES

This paper consists of sections **A** and **B**. It has **five** examination items.

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

Answer one item from Section **B**.

Answer **four** examination items in all.

Any additional item(s) answered will not be scored.

All answers must be written in the answer booklet(s) provided

SECTION A

Answer all the items in it this section

ITEM 1

Juma was living in one of the remote areas of western Uganda. In the last season, she planted her maize where he has obtained shs:3,500,000. He has an aim of making a viable business which can improve his wellbeing since he has struggled for along time.

He has now visited his auncler who lives in a busy Trading centre of Kalindi and he went there just to found out a suitable business in which he can invest all his money properly. He has found it challenging to get a business which he can even register and budget for. Juma has approached you for help in this situation.

Task

- a). Help juma to select the business that suites his current conditions and place.
- b). Show how he can balance the books of account in the selected business.
- c) Take him through the procedures for legalizing his business.

ITEM 2

Mwanje who is a business man with a carpentry industry has seen his dream job growing in the past 3 years where could produce different furniture like doors, beds, chairs and most of the other furniture. He previously employed 7 workers who do different activities like painting, smoothening, dressing the finished furniture, cutting and others and they gained the skills and experience. The business attracted many customers due to the high quality products. The numbers continuously increased and he started finding challenges in fulfilling the demands of all the customers.

This has affected his business in the past 6 months and the books of accounts are now in negatives. He is thinking of adding more machines and workers but he is worried of what may result because he can not find effective workers and machines as he wants. He has asked you for help in this situation as an entrepreneurship student.

Task

- a) Help him to understand what made his business prosper at the beginning
- b) Considering the situations above, guide Mwanje on what might have caused the change in his business
- c) In your opinion ,how would you advise Mwanje.

ITEM 3

Mzee Mutumba has a big farm on 12 acres with over 500 Friesian cattles.He employed 3 illiterate village men to work during day and night. These were supposed to look after all his cattle in the whole farm land. They are paid shs3000 per day and sh2500 per night claiming that they also sleep in the farm.

There are 9 cows that were stolen from the farm last week at night and he reduce the night wage to sh:2000. There are also 12 bulls that have just been cut into pieces during day and no one to suspect and therefore he wants to reduce the salary for the people responsible.

Mzee Mutumba is now confused with the situation and he is worried that this act may continue.

Task

- a) What do you think is causing all these problems in his farm?
- b) How can Mzee Mutumba handle this situation properly?

SECTION B

Answer only one (1) item in this section

Item 4

John Peters who owns a furniture store in kampala left Uganda during COVID-19 period to his home country Canada at the end of 2019. He left his business in the hands of his manager Kawuka whom he instructed to record all the business details. In the records that Kawuka kept, he forgot to analyze the records from 2020-2021 due to the S.O.Ps in that period.

John Peters has just returned in Uganda to check on his business. This implies that Kawuka must do it now yet he is very busy organizing the work place.

ITEMS	Amount (SHS)
Stock (1st January, 2020)	3,200,000
Purchase of raw materials	11,600,000
Loans	5,000,000
Furniture sales	56,000,000
Sales Returns	1,230,000
Rent	2,400,000
Vehicle	10,000,000
Transport	1,500,000
machinery	1,160,000
Capital	20,000,000
Electricity	2,500,000
Debtors	1,200,000
Creditors	3,000,000
Insurance	800,000
Salaries and wages	4,000,000
Stock (31st December, 2021)	2,000,000

TASK

Help Kawuka to analyze that year's financial status of the business.

Item 5

Nyakecho is a business woman who has a growing boutique at wantoni in Mukono. She has been in the business for two years and she has applied for another loan in MPOLA MPOLA SACCO in order to expand her business because it is promising.

When she applied, She was asked to attach a financial statement such the SACCO can verify the potential of the business. She can receive the loan only when she has been making profits in her business.

Nyakecho lacks this essential knowledge and she has requested you to help her in this matter. Below are her recent records.

ITEMS	AMOUNT(UGX)
Capital	5,500,000
Workers' salary	1,300,000
Purchases	2,600,000
Electricity	800,000
Sales	4,100,000
Discount received	2,990,000
Rent	900,000
Bank loan	1,840,000
Repairs for stalls	210,000
Drawings	1,200,000
Cash at hand	4,600,000
Creditors	522,000
Stock of food items (31/12/2022)	640,000

Task:

Help her to ensure the accuracy of her ledger balances and find out whether she qualifies for the loan.

END.