

845/1
ENTREPRENEURSHIP
EDUCATION
Paper 1
August 2024
2½ hours



ENTEBBE JOINT EXAMINATION BUREAU

Uganda Lower Secondary 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** 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 not be written in the answer booklet(s) provided.

SECTION A

Answer all items in this Section

Item 1

Having completed Ordinary level exams last year, Nyafwono was the proud winner of a prize of Shs. 20 million with MTN Momo pay. She has decided to use part of these funds to start a carpentry workshop to produce various categories of furniture for sale. Indeed the business has started off well. The remaining balance of her prize money is still kept in her house though she is considering opening up a current bank account for the business. Most of her customers are complaining that she delays to meet their orders for furniture products.

Support material



Image courtesy of <https://www.geredgereedschap.nl>

Task

- Advise Nyafwono on the ethical business conduct to undertake in order to make his business a success.
- Guide Nyafwono on the characteristics of the current bank account he wants to open up.
- Inform Nyafwono on the factors he should consider when selecting machinery and equipment during expansion of his business.

Item 2:

Wamono and his brother own a restaurant in Mulago zone, Kampala. They intend to register it as a private limited company and take up some insurance policies as well. The City council authorities have threatened to close their business since it is not yet formalized. Wamono and his brother are confused on the requirements and process of formalizing their business.

Support material**Task:**

Use your entrepreneurial skills to guide Wamono and his brother:

- (a) solve the confusion they are going through.
- (b) on the local taxes to be paid by Wamono and his brother to KCCA after formalizing their business.
- (c) on the insurance policies they can undertake for their business.

Item 3:

Ssango occupies 3 acres of land located in Mukono. He has saved Shs. 8 million and used it to start a craft shoe-making business that produces for domestic market but with a goal of producing for the foreign market too. His domestic sales are not yet good. He thinks that the low sales could be a result of limited marketing skills. Some people tell him that he selected the wrong type of business opportunity. However this leaves him in an indecisive state.

Support material**Task:**

Using your entrepreneurial skills:

- (a) educate Ssango on the features of a good business opportunity.
- (b) help Ssango draw a marketing budget for his business opportunity.
- (c) guide Ssango on the requirements for export trade before opting for the business opportunity.

SECTION B

Answer one item from this Section

Item 4:

The following transactions for the month of June 2024 were carried out by Kasenene, an inexperienced entrepreneur:

- 1st Started business with the following balances:
 - Cash balance Shs. 2,000,000 (Debit)
 - Bank balance Shs. 4,000,000 (Credit)
- 2nd Bought goods worth Shs. 500,000 by cheque.
- 3rd Sold goods worth Shs. 700,000 by cheque.
- 5th Bought machinery amounting to Shs. 450,000 by cash.
- 10th Paid for insurance Shs. 300,000 in cash
- 12th Made cash sales Shs. 800,000.

- 15th Banked cash amounting to Shs. 200,000.
- 20th Drew a cheque of Shs. 100,000 for office cash.
- 21st Bought goods on credit from Kyanjo Shs. 650,000
- 23rd Sold goods on credit to Jesca Shs. 800,000
- 25th Paid Kyanjo Shs. 300,000 by cheque and promised to pay the balance later.
- 27^t: Received a cheque of Shs. 800,000 from Jesca and banked it in the afternoon.

Task:

Help Kasenene prepare a double-column cashbook and thereafter interpret for him the financial status of his business.

Item 5

Akello studied Entrepreneurship Education up to S.4. She failed to prepare the trial balance correctly and therefore it failed to balance. She had the following items.

ITEM	SHS
Stock 1 st /1/2023	800,000
Stock 31 st /12/2023	380,000
Purchases	1,000,000
Carriage inwards	200,000
Machinery	3,000,000
Debtors	700,000
Creditors	400,000
Bank overdraft	600,000
Sales	5,400,000
Furniture	1,500,000
Discount allowed	300,000
Discount received	270,000
Drawings	490,000
Electricity	170,000
Carriage outwards	230,000
Sales returns	200,000
Purchases returns	100,000
Capital	1,820,000

Task:

Prepare for Akello, the document to prove arithmetical accuracy in her records and also prepare a financial statement that determines the profitability of the business.