

ASSHU BUSHENYI MOCK DISTRICT EXAMINATIONS 2025
Uganda Certificate of Education
ENTREPRENEURSHIP
PAPER 1

Instructions:

-Section A is compulsory

-Answer ONE questions from section B

-Any extra questions answered shall not be marked.

Time: 2 ½ hours

SECTION A

(Answer ALL questions from this Section)

1. Ashraf intends to start up a juice processing business. He has been advised that he has to first investigate the market before starting so as to produce according to customers' needs and also do proper planning for the business. However, Ashraf is busy and he has contacted you to assist him.

Task: Help Ashraf to

- (a) Draft a tool that he can use to investigate the market.
- (b) Make a plan for properly marketing the business products.

2. Anthony is a maize farmer who has been selling maize at low prices. He wants to buy a grinding machine either from Kampala or from Nairobi in Kenya but his failing to decide because the machines have different features and terms. He wants to process maize because there are schools, grain stores and groceries in the nearby trading Centre including people and businesses in in the nearby town who can provide market. His intention is to sell in large quantities through proper distribution channels but he has less marketing and purchasing skills.

Task: Advise Anthony on the

- (a) basis for choosing the grinding machine to buy.
- (b) suitable channels that he can use in order to distribute goods in large quantities and capture the market.

3. Mariam operates a metal fabricating business. Last month money was stolen from the business and she had to borrow from the village SACCO at a monthly interest of 10% for additional capital. She normally moves for long distances to pay suppliers and also receive money from customers. She refuses money in form dollars and Congolese francs that she should only be paid in Uganda shillings. The business is located in a busy slum and therefore she is scared since some of his finished products are kept outside the store.

Task:

- (a) Advise Mariam on how she can use banking to solve the challenges in the business.
- (b) Advise her on the technologies she can apply in the business to ensure success.

SECTION B
(answer ONE question from this section)

4. Herbert is a proprietor of **QUICK WHOLESALERS**. He employed a cashier who left the job abruptly and switched off the phone. Herbert has been handling all business activities himself. On 1st Jan 2025 on credit to Quality restaurant 50 kgs of rice each at ugx.5,000; 25kgs of sugar each ugx.3,000 and 5 bars of soap each at shs.6,000. The purchasing manager of quality restaurant needs documentary evidence but Herbert doesn't know which document to prepare. He has also checked in the books and found the following information as at 31st December 2025:

	Ugx
Capital	25,000,000
Net profit for the year	6,760,000
Furniture	600,000
Stock	5,000,000
Goods sold on credit but not yet paid for	630,000
Goods bought on credit but not yet paid for	300,000
Items removed by Herbert for personal use	580,000
Cash in hand	7,750,000
Money borrowed from the SACCO	1,500,000
Land and building.	19,000,000

He intends to prepare a document to Quality restaurant and also determine the financial position of the business as at 31st December 2024 but he doesn't know how to do so and he has approached you for help.

Task: Help Herbert to,

- Come up with a suitable document to be given to Quality restaurant.
- Prepare a statement of financial position for the business.

5. Grace is the proprietor of "Electrolink Solutions," a retail shop in Kampala specializing in consumer electronics. As June 2025 concluded, Grace wished to review her monthly financial activities accurately. She has noted down all business transactions for the month and the balances at the beginning of the month. She wished to make a cash and bank summary in a suitable book of original entry and also determine the profitability of the business. However, she has less accounting skills.

Opening Balances as at 1st June 2025:

- Cash in Hand: UGX 1,000,000
- Bank Account: UGX 15,000,000
- Stock of Electronics: UGX 2,000,000
- Shop Fittings: UGX 4,000,000
- Debtors: UGX 1,800,000
- Creditors: UGX 1,500,000
- Capital: UGX 15,000,000

Transactions during June 2025:

- i. **June 3:** Cash sales deposited directly into the bank account, UGX 5,000,000.
- ii. **June 6:** Paid office rent by bank transfer, UGX 600,000.
- iii. **June 9:** Received cheque from ABC Traders (a credit customer) for UGX 1,000,000, allowing them a cash discount of UGX 50,000.
- iv. **June 12:** Purchased new electronics stock by cheque UGX 8,000,000.
- v. **June 15:** Paid staff salaries in cash UGX 1,000,000.
- vi. **June 18:** Received cash from daily sales UGX 2,500,000.
- vii. **June 22:** Paid "Mega Electronics" (a credit supplier) UGX 1,200,000 by cheque, receiving a discount of UGX 30,000.
- viii. **June 25:** Deposited cash from the till into the bank account, UGX 1,500,000.
- ix. **June 28:** Withdrew cash from the bank for office petty expenses, UGX 200,000.

Additional Information as at 30th June 2025:

- Total Sales for the month amounted to UGX 15,000,000.
- Stock of Electronics as at 30th June 2025 was valued at UGX 3,000,000.
- Utility Expenses for the month amounted to UGX 200,000.

Task:

Prepare the following for "Electrolink Solutions":

- a) a suitable Cash Book for the month of June 2025.
- b) the Statement for determining profitability for the month ended 30th June 2025.

END