

845/1
ENTREPRENEURSHIP
Paper 1
2024



UGANDA NATIONAL EXAMINATIONS BOARD

Uganda Certificate of Education

ENTREPRENEURSHIP

Paper 1

SCORING GUIDE

ENTREPRENEURSHIP SAMPLE PAPER SCORING GUIDE

ITEM 1:

Element of Construct	Basis of Assessment	Success Criteria	Scoring	Total		
Appreciate Business Start-up Process	1. Analysis of business opportunity	2 or more ideas generated	02	02		
		1 idea generated	01			
		No/wrong idea	00			
				E.g.;		
				<ul style="list-style-type: none"> • Tree planting • Crop production • Fishing (Acqua-culture) • Animal rearing • Bee keeping (Api-culture) • Irrigation • Flower growing (Floriculture) • Recreation centre • Washing bay • Sand mining etc 		
				Analysis of ideas		
				3 or more ideas analysed		03
				2 or more ideas analysed	03	
				1 or more ideas analysed	02	
				No/wrong area of analysis	01	
		No/wrong area of analysis	00			
		E.g.				
		-Products needed/ Demand/ Market				
		-Business risks				
		-Competitors				
		-Market growth				
		-Profitability				
		-Availability of finances, etc				
		Use of market survey/research tool/Human wants				
		- Identification of market survey/research tool with justification				
		- Identification of market survey/research tool without justification	02	02		
		- No/wrong tool	01			
			00			
		3 contents of market survey/Research				
		2 contents of market survey/Research	03	03		
		1 content of market	02			

	<p>survey/Research No/wrong content</p> <p>E.g. products needed, target customers, income, education, age, location, etc., competitors; products sold, price, packaging, location, etc</p> <p>Decision on type of business (agro-business, agri-business, manufacturing, trading and service) Decision Decision with justification Decision without justification No/wrong decision</p>	<p>01 00</p> <p>02 01 00</p>	<p>02</p>
2.Budget	<p>Title No title</p> <p>List of 3 or more items with monetary value -Identification of 3 required items with estimates of monetary value -Identification of 2 required items with estimates of monetary value -Identification of 1 required item with estimates of monetary value -No/wrong item in relation with</p> <p>Total budget Correct total No/wrong total</p>	<p>01 00</p> <p>03 02 01 00</p> <p>01 00</p>	<p>01</p> <p>03</p> <p>01</p>
3.Fomalisation	<p>Registration- should be in line with form of business selected. E.g.: Sole proprietorship; trading license Partnership; partnership agreement and its purpose and content Company; memorandum of Association, Articles of Association, certificate of incorporation, etc.</p>		

		<p>Registration process</p> <p>1. Form of business</p> <p>-Choosing a suitable business form</p> <p>-Wrong/no form of business Selected</p> <p>2. Registration</p> <p>-Registering the business name and the physical address</p> <p>-Obtaining the required document eg certificate of incorporation/trading license etc. in relation to the selected form of business</p> <p>-Explaining the purpose of the documents(s)</p> <p>-Securing Tax Identification Number (TIN)</p> <p>-Registering for National Social Security Fund (NSSF)</p> <p>3 or more steps @ 1score</p> <p>2 steps @ 1score</p> <p>1 step @ 1score</p> <p>No/wrong step</p> <p>Logical flow</p> <p>No logical flow</p>	<p>01</p> <p>00</p> <p>03</p> <p>02</p> <p>01</p> <p>00</p> <p>01</p> <p>00</p>	<p>01</p> <p>03</p> <p>01</p>
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ITEM 2

Element of Construct	Basis of Assessment	Success Criteria	Scoring	Total
Manage a business	The entrepreneur	<p>1.The Entrepreneurial qualities</p> <p>e.g.</p> <p>perseverance, hardworking, risk taker, goal oriented, information seeker, opportunity oriented</p> <p>Commitment to the work,</p> <p>Self-confident, Creative and innovative, visionary, etc.</p> <p>3 or more qualities described</p> <p>2 or more qualities described</p> <p>1 or more qualities described</p> <p>No/wrong quality identified</p>	<p>03</p> <p>02</p> <p>01</p> <p>00</p>	03

ITEM 3

Element of Construct	Basis of Assessment	Success Criteria	Scoring	Total
Appreciate Business Support	1.Ethical issues in relation to business development	<p>Identification of Effects of Entrepreneur’s behaviour on business e.g.</p> <ul style="list-style-type: none"> • Employee turnover • Legal battles/law suits • Poor image • Loss of customers • Accidents • Low sales/low profits • Production of low quality products • Business closure, etc. <p>5 effects identified 4 effects identified 2 - 3 effects identified Less than 2 /No/wrong effect identified</p>	<p>03 02 01 00</p>	03
	2.Business ethics towards stakeholders	<p>Explanation of business ethics towards;</p> <p>1.Employees;</p> <ul style="list-style-type: none"> • Over working • Low pay • Job insecurity/no contract <p>2. Government;</p> <ul style="list-style-type: none"> • Non tax compliance <p>3. Customers</p> <ul style="list-style-type: none"> • Underweight products • Dishonesty <p>3 or more ethics & solutions explained. 2 or more ethics & solutions explained 1 or more ethics & solutions explained No/wrong business ethic explained</p>	<p>03 02 01 00</p>	03

	<p>3.Risks in business and insurance</p>	<p>Explanation of risks and mitigation measures. Risks e.g.; Fire, Theft, Accident, Machine breakdown & Loss of profits, etc. Mitigation measures e.g.;</p> <ul style="list-style-type: none"> • claim compensation for van • Take insurance policies like Accident policy, Fire Policy, Machinery breakdown & consequential loss policy, etc. • insure other assets <p>improve security, etc</p> <p>3 or more risks & solutions explained</p> <p>2 or more risks & solutions explained</p> <p>1 risk & 1 solution explained</p> <p>No/wrong risk/solution explained</p> <p>Mitigation measures e.g.;</p> <ul style="list-style-type: none"> • claim compensation for van • Take insurance policies like Accident policy, Fire Policy, Machinery breakdown & consequential loss policy, etc • insure other assets • improve security, etc <p>Decision Decision taken No/wrong decision taken</p>	<p>03</p> <p>02</p> <p>01</p> <p>00</p> <p>01</p> <p>00</p>	<p>03</p> <p>01</p>
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ITEM 4

Element of Construct	Basis of Assessment	Success Criteria	Scoring	Total
Apply book keeping skills	Prepare Trial balance	Preparation of Trial balance Title No/wrong title Format No/wrong format Entries/postings Makes 10-15 entries Make 8-9 entries Makes 4-7 entries Makes 0-3 / No/wrong entry Total Any correct total No total correct	01 00 01 00 03 02 01 00 01 00	01 01 03 01
	Prepare Income statement	Preparation of Income statement Title No/wrong title Format No/wrong format Entries/postings Makes 7-11 entries Make 6 entries Makes 3-5 entries Makes 0-2 / No/wrong entry Total Any correct total No total correct	01 00 01 00 03 02 01 00 01 00	01 01 03 01

Success criteria

a) Trial balance

$\frac{2}{3}$ of entries made; 10 - 15 entries = 3 scores

$\frac{1}{3}$ of entries made; 8 – 9 entries = 2 scores

$\frac{1}{4}$ of entries made; 4 - 7 entries = 1 score

No/wrong entry / 0 – 3 entries = 0 score

MICHAEL'S RESTAURANT
TRIAL BALANCE AS AT 31/12/2022

Details	Debit (Shs)	Credit (Shs)
Capital		6,850,000
Sales		5,200,000
Purchases	3,800,000	
Cash at hand	5,720,000	
Furniture	600,000	
Discount received		400,000
Refrigerator	1,200,000	
Creditors		870,000
Repairs for the refrigerator	320,000	
Drawings	1,100,000	
Electricity	1,440,000	
Salaries and wages	1,800,000	
Bank loan		2,660,000
Total	15,980,000	15,980,000

b) Income Statement

$\frac{2}{3}$ of entries made	7 - 11 entries	=	3 scores
$\frac{1}{3}$ of entries made	6 entries	=	2 scores
$\frac{1}{4}$ of entries made	3 - 5 entries	=	1 score
No/wrong entry and	0 – 2 entry	=	0 score

MICHAEL'S RESTAURANT
INCOME STATEMENT FOR THE YEAR ENDED 31/12/2022

Details	Debit (Shs)	Credit (Shs)
Sales		5,200,000
<u>Less cost of sales</u>		
Purchases	3,800,000	
Less closing stock	<u>720,000</u>	
Cost of sales		<u>3,080,000</u>
Gross profit		2,120,000
Add other incomes		
Discount received		<u>400,000</u>
Total income		2,520,000
Less Operating expenses		
Repairs	320,000	
Electricity bills	1,440,000	
Salaries and wages	<u>1,800,000</u>	
Total expense		<u>3,560,000</u>
Net Loss		<u>1,040,000</u>

ITEM 5

Element of Construct	Basis of Assessment	Success Criteria	Scoring	Total
Apply book keeping skills	Prepare Trial balance	Preparation of trial balance Title Correct Title 01 No/wrong title 00 Format Correct Format 01 No/wrong format 00 Entries/postings Makes 9-13 entries 03 Make 4-8 entries 02 Makes 3 entries 01 Makes 0-2 / No/wrong entry 00 Total Any correct total 01 No /wrong total 00		01
	Prepare Income statement	Preparation of Income Statement Title 01 No/wrong title 00 Format 01 No/wrong format 00 Entries/postings Makes 6 - 9 entries 03 Make 3 - 5 entries 02 Makes 2 entries 01 Makes 0 - 1 / No/wrong entry 00 Total Correct Total income/Net profit 01 No total correct 00		01

Success criteria

a) Trial balance

$\frac{2}{3}$ of entries made	9 - 13 entries	=	3 scores
$\frac{1}{3}$ of entries made	4 - 8 entries	=	3 scores
$\frac{1}{4}$ of entries made	3 entries	=	1 score
No/wrong entry and 0 – 2 entries		=	0 score

JUMA'S FARM PRODUCE
TRIAL BALANCE AS AT 31ST DECEMBER, 2023

PARTICULARS	DEBIT (UGX)	CREDIT (UGX)
Stock (1st January, 2023)	4,100,000	
Purchases	5,700,000	
Purchases returns		1,100,000
Sales		10,200,000
Sales Returns	1,200,000	
Land and Buildings	44,400,000	
Vehicle	13,000,000	
Transport	700,000	
Weighing scale machine	500,000	
Capital		63,460,000
Furniture	3,500,000	
Debtors	600,000	
Creditors		1,300,000
Electricity Bills	200,000	
Salaries and wages	2,160,000	
Total	76,060,000	76,060,000

b) Income Statement

- $\frac{2}{3}$ of entries made; 6 - 9 entries = 3 scores
- $\frac{1}{3}$ of entries made; 3 - 5 entries = 3 scores
- $\frac{1}{4}$ of entries made; 2 entries = 1 score
- 0 – 1 entry/ No/wrong entry made = 0 score

**JUMA'S INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2023**

PARTICULARS	AMOUNT (UGX)	AMOUNT (UGX)	AMOUNT (UGX)
Sales			10,200,000
Less Sales Returns			<u>1,200,000</u>
Net Sales			9,000,000
Less Cost of Sales:			
Stock (1st January, 2023)		4,100,000	
Purchases	5,700,000		
Less Purchases returns	<u>1,100,000</u>		
Net Purchases	<u>4,600,000</u>	<u>4,600,000</u>	
Cost of goods offered for sale		8,700,000	
Less Closing stock		<u>2,200,000</u>	<u>6,500,000</u>
Gross Profit			2,500,000
Less Operating expenses:			
Transport		700,000	
Electricity bills		200,000	
Salaries and wages		2,160,000	3,060,000
NET LOSS			560,000