**JINJA JOINT EXAMINATIONS BOARD 2019**

**MOCK EXAMINATIONS**

**ENTREPRENUERSHIP 845/1**

**MARKING GUIDE**

**Question 1**

1. ***Pre-operational expenses likely to incur when establishing the business***
2. Business license and registration from the local council authorities to enable him commence his operations.
3. Installation of machinery and equipments required like sprayer pumps for car sprays, wheel balancing machines, tyre pressure machines etc.
4. Construction or Hiring of building in order for machines and equipments to be installed.
5. Technical training expenses for special skills that may be required e.g car welding spraying etc
6. Acquiring basic utilities for the business like telephones, electricity installations etc.
7. Advertising expenses to create awareness among the prospective customers.
8. Stocking basic equipments for the Garage like tool boxes, spanners, wheel jack.
9. Purchase of land etc.

**(8pts x 01@ = 08 marks)**

1. ***A sign post for the project should have the following;-***

* Frame (compulsory)
* Name and Address of the Garage
* Location
* Title (inside the frame)
* Logo
* An arrow pointing to the direction of the Garage.
* Distance from the sign post
* Mission/vision statement
* Services/products dealt in
* Stands

**(Any 7 pts x 01@ = 07 marks)**

1. ***A cash receipt should have the following;***

* Frame (compulsory)
* Title
* Name and address
* Logo
* Products dealt in
* Date
* Name of the buyer
* Items bought
* Amount figures/words
* Sign of cashier
* Prepared by
* Serial number

**(10pts x ½@ = 05 marks)**

1. ***Measures to minimize the negative effects caused by the business to the environment;-***
2. Creation of disposing grounds for un wanted materials to avoid littering of the environment.
3. Dispose off the un desired materials like old tyres by burning.
4. Put warning notice of dangerous spots of machines that can harm people and customers.
5. Re-cycling of old materials like car bodies to avoid excessive dumping.
6. Use of machines that do not produce a lot of noise to pollute the environment & apply silencers where possible.
7. Provide work gargets like hand gloves, overall clothes to avoid contacts of workers with dangerous machines, acids and oils.
8. Dangerous gases and fumes from vehicles can be channeled to specific ground to avoid air pollution.
9. Locate your business in accordance with government policies on location of industries and not in residential areas.
10. Treatment of garage wastes before disposal.
11. Provision of first aid kits and fire extinguishers.

**(Any 5 pts x 01@ = 05 marks)**

**Question 2(a)**

***Either JMM Enterprises Ltd, Trading, profit and loss A/C As at 31st Dec, 2019***

**(HORIZONTAL FORMAT)**

**DR CR**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Shs** | **Shs** |  | **Shs** | **Shs** |
| Stock 1st  Add purchases  Less returns outwards  Net purchases  Add carriage on purchase  Add wages  Total goods available for sale  Less stock 31st  Cost of goods sold  Gross profit c/d  Expenses  Telephone expenses  Electricity bills  Carriage on sales  Advertising  Salaries & wages  Discount allowed  Net profit transferred to capital A/c | 3,500,000  22,500  3,477,500  \_\_  \_\_  90,000  70,000  22,500  130,000  437,500  93,750 | 625,000  3,477,500  4,102,500  750,000  3,352,500  2,772,500  **6,125,000**  843,750  2,169,250  **3,013,000** | Sales  Less returns inwards  Gross profit b/d  Add supplementary income  Commission received | 6,500,000  375,000 | 6,125,000  **6,125,000**  2,772,500  240,500  3,013,000  **3,013,000** |

**(24 ticks x ½@ = 12 marks)**

**OR 2(a)**

***JMM ENTERPRISES LTD, TRADING, PROFIT & LOSS A/C, AS AT 31st DEC 2018 (vertical format)***

|  |  |  |
| --- | --- | --- |
|  | **Shs** | **Shs** |
| SALES  Less returns inwards  Net sales  Less;-  Opening stock (stock 1st )  Add purchases 3,500,000  Less purchases 22,500  Less stock 31st  Gross proft c/d  Add commission received  Less operating expenses  Telephone expenses  Electricity bills  Carriage on sales  Advertising  Salaries & wages  Discount allowed  Net profit transferred to capital A/c | 625,000  3,477,500  4,102,500  750,000  90,000  70,000  22,500  130,000  437,500  93,750 | 6,500,000  375,000  6,125,000  3,352,500  2,772,500  240,500  3,013,000  843,750  2,169,250 |

**(24 ticks @ = 12 marks)**

**Qn 2(b)**

***JJM ENTERPRISES LTD, BALANCE SHEET AS AT 31st DEC 2018***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **LIABILITIES** | **Shs** | **Shs** | **ASSETS** | **Shs** | **Shs** |
| Capital  Add net profits  Less drawings  Long term liabilities  Nil  Current liabilities  Bank overdraft  creditors | 3,937,500  2,169,250  6,106,750  75,000  23,350  537,500 | 6,031,750  560,750  6,592,500 | FIXED ASSETS  Premises  Tools & equipments  Furniture  Current assets  Stock 31st Dec  Cash at hand  Debtors | 3,000,000  1,750,000  312,500  750,000  30,000  750,000 | 5,062,500  1,530,000  6,592,500 |

**(20 ticks x ½@ = 10 marks)**

**Qn 2(c)**

***Final accounts include;-***

* The trading account 01mark
* The profit and loss account 01mark
* The balance sheet 01mark

**Question 3**

1. ***A memo should have the following***
2. Name and address of the business which must reflect the nature of business e.g JINJA BAKERIES LTD.
3. Document identity/Name i.e MEMO
4. Business logo
5. FROM i.e Author i.e Officer where the memo is coming from e.g managing Director?CEO etc
6. To i.e where the memo is addressed e.g production manager
7. Date
8. Reference number
9. Subject line or subject reference, which must reflect complaints and quality.
10. Body
11. Carbon copy i.e cc
12. Enclosure i.e ENC or attached e.g customer’s complaints
13. Signature and name
14. Frame(compulsory)

**Any 12 pts x ½ = 06mks**

1. ***Ways on how to improve on the quality of products***

* Thorough research should be carried out.
* High quality raw materials and inputs should be used.
* Proper storage facilities shall be used
* There should be maximum supervision and monitoring of workers.
* Specialized skilled personnel should be employed in the production department.
* Appropriate distraction channels shall be used not to compromise the quality of products.
* Ensuring proper installation of machines
* Proper hygiene shall be maintained at all times at the work place.
* Proper welfare of workers shall be ensured i.e motivation of workers.
* Clear instructions shall be given to workers regarding the production process.
* Workers shall be trained continuously.
* Machines used shall be served regularly.
* High quality packaging materials shall be used.

**(Any 8 pts x 01@ = 08marks)**

1. ***A sign post will contain the following;-***

* Frame (compulsory)
* Name and address of the bakery
* Location.
* Title
* Business logo
* An arrow pointing to the direction of the firm (bakery)
* Distance from the sign posts e.g 5 kms etc
* Mission or vision statements
* Productions dealt in
* Stands. **(Any 6 pts x 01@ = 06marks)**

1. ***A stock Card should have provisions for the following;***

* Frame (compulsory)
* Name and address of the firm
* Document identity (inside the frame) i.e stock card
* Item name
* Item number
* Maximum stock level
* Minimum stock level i.e re-order level
* Date of receiving and date of issue
* Quantity received
* Quantity issued
* Stock balance
* Authorizing officer i.e authorized by
* Issued by;
* Issued to;
* Remarks

**(Any 10 pts x ½@ = 05 marks)**

**Question 4**

1. ***KIGENYI’S HAMZA’S TWO COLUMN CASH BOOK AS AT 30th JAN 2018***

**DR CR**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **DATE** | **DETAILS** | **FOL** | **CASH** | **BANK** |  | **DATE** | **DETAILS** | **FOL** | **CASH** | **BANK** |
| 1st /01/05 | Bal/capital | b/f | 1,000,000 | 2,500,000 |  | 2nd /1/05 | purchases |  |  | 800,000 |
| 10th /1/05 | sales |  | 400,000 |  |  | 3rd /1/05 | Trading license |  | 100,000 |  |
| 14th /1/05 | sales |  |  | 200,000 |  | 5th /1/05 | Rent |  | 50,000 |  |
| 25th /1/05 | sales |  |  | 150,000 |  | 15th /1/05 | Mid month wages |  |  | 80,000 |
|  |  |  |  |  |  | 20th /1/05 | Calculator |  | 20,000 |  |
|  |  |  |  |  |  | 30th /1/05 | Drawings |  |  | 50,000 |
|  |  |  |  |  |  |  |  |  | 170,000 | 930,000 |
|  |  |  |  |  |  | 30th /1/05 | Bal | c/d | 1,230,000 | 1,920,000 |
|  |  |  | 1,400,000 | 2,850,000 |  |  |  |  | 1,400,000 | 2,850,000 |
| 31st /01/05 | bal | b/d | 1,230,000 | 1,920,000 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |

**(14 ticks x ½@ = 07 marks)**

**(ii) DR Capital A/C CR**

1st Jan 2005 bal c/d 3,500,000 1st Jan 2005 cash 1,000,000

Bank 2,500,000

3,500,000 3,500,000

30th Jan Bal b/d 3,500,000

**DR Sales A/C CR**

25/Jan/2005 bal c/d 750,000 10th Jan 2005 cash 400,000

14th Jan 2005 bank 200,000

25 Jan 2005 bank 150,000

750,000

750,000 750,000

30th Jan 2005 bal b/d 750,000

**DR Purchases A/C CR**

2nd Jan 2005 Bank 800,000 2nd Jan 2005 bal c/d 800,000

800,000 800,000

30th Jan 2005 bal b/d 800,000

**DR Trading license A/C CR**

3rd Jan 2005 cash Shs 100,000 3rd Jan 2005 bal c/d 100,000

100,000 100,000

30th Jan 2005 bal b/d 100,000

**DR Rent A/C CR**

5th Jan 2005 cash 50,000 5th Jan 2005 bal c/d 50,000

50,000 50,000

30th Jan 2005 Bal b/d 50,000

**DR Mid month wages A/C CR**

15th Jan 2005 Bank 80,000 15th Jan 2005 Bal c/d 80,000

80,000 80,000

30th Jan 2005 Bal b/d 80,000

**DR Calculator A/C CR**

20th Jan 2005 Cash 20,000 20th Jan 2005 Bal c/d 20,000

20,000 20,000

30th Jan 2005 Bal b/d 20,000

**DR Drawins A/C CR**

30th Jan 2005 Bank 50,000 30th Jan 2005 Bal c/d 50,000

50,000 50,000

30th Jan 2005 Bal b/d 50,000

**(16ticks x ½@ = 08marks)**

***(iii). Kigenyi Hamza’s Trial Balance, As at 30th Jan, 2005***

|  |  |  |  |
| --- | --- | --- | --- |
| **Details** | **Fol** | **DEBIT (Shs)** | **CREDIT (Shs)** |
| Capital  Sales  Purchases  Trading license  Rent  Mid month wages  Calculator  Drawings  Cash in Hand  Cash at Bank |  | 800,000  100,000  50,000  80,000  20,000  50,000  1,230,000  1,920,000  4,250,000 | 3,500,000  750,000  4,250,000 |

**(10pts x 01@ = 10marks)**

**Question 5**

1. ***A Business Card should have the following;-***
2. Name and address of the business.
3. Telephone contact of the business
4. Business logo
5. Business location
6. Production dealt in
7. Illustrations/pictures regarding the products
8. Name of the officer.
9. Title of the officer
10. Business slogan/appealing phrase
11. Frame (compulsory)

(i), (vii), (viii) are compulsory and any other 3 points

**(8 pts x 01@ = 08marks)**

1. ***A pay roll should contain the following***

* The frame (compulsory)
* Document title must be inside the frame
* Name and address of the business
* Name of the employee
* Sex of the employee
* PERIOD/MONTH being paid
* Gross pay for the employee
* Total deductions made e.g medical, insurance,
* Allowances given to the employees
* Basic pay
* Net pay
* Employee No
* Signature of the employee
* Title of the employee e.g Supermarket Attendant manager etc
* Name of the person who prepared the payroll
* Checked by;
* Prepared by;
* Authorized by;

**(Any 7 pts x 10@ = 07marks)**

1. ***Sign post should include the following;-***
2. Frame compulsory
3. Name and address of the firm
4. Location of the firm
5. Title (inside the frame)
6. Logo
7. An arrow pointing to the direction of the firm
8. Distance from the sign post
9. Mission or vision statement
10. Products dealt in
11. Stands

**(Any 10 pts x ½@ = 05 marks)**

1. ***Methods of promote sales are;-***

* Being polite to all customers.
* Selling quality products to customers.
* By advertising e.g through Newspapers, radios.
* Providing price reductions or discounts to customers
* Providing additional services to customers e.g free carriage to places where customers have parked their vehicles.
* Ensuring good standard of hygiene in the super market.
* Employing skilled or trained personnel etc

**(Any 5 pts x 01 @ = 05 marks)**