

**UGANDA NATIONAL EXAMINATIONS BOARD**

**UGANDA CERTIFICATE OF EDUCATION**

**ENTREPRENEURSHIP PAPER 1**

**2005**

1. You intend to establish a car washing bay in your town:

- a) Describe the steps you would take when starting your business.
- b) Explain the factors you would consider when assessing the market potential of your business.
- c) Give any five ways by which you will promote your service.
- d) Outline the challenges you are likely to face while operating your business.

2. a) What is the importance of book-keeping to an entrepreneurship?

b) SEEDS (U) Ltd has the following credit purchases and sales for the month of June, 2005:

June 1 bought 5 sacks of beans at shs100, 000 each from Okello and brothers.

3 bought from Isabirye & Sons, 10 sacks of maize at shs70, 000 each.

4 sold to care ltd, 2 sacks of beans at shs120, 000 each and 4 sacks of maize at shs80,000 each.

5 bought from okello & Brothers, 10 sacks of beans at shs90, 000 each.

6 sold to Mbogo traders, 4 sacks of maize at shs80, 000 each.

7 bought from joy & Sons, 5 sacks of maize at shs90, 000 each and 4 sacks of beans at shs 95,000 each.

10 bought from Isabirye & sons, 5 sacks of maize at shs 65,000 each.

14 sold to care ltd, 6 sacks of maize at shs80, 000 each and to Black boys, 4 sacks of beans at shs125, 000 each.

18 sold to the following:

Mbogo traders, 10 sacks of maize at shs85, 000 each.

Good day ltd, 7 sacks of beans at shs 65,000 each.

22 bought from the following:

City traders, 10 sacks of rice at shs200, 000 each.

Joy & Sons, 6 sacks of millet at shs65, 000

25 sold to Malibu, 4 sacks of rice at shs250, 000 each.

26 bought from come all ltd, 2 sacks of beans at shs 120,000 each and 2 sacks of rice at shs200, 000 each.

28 sold to Black Boys ltd, 6 sacks of millet at shs75, 000 each.

b)i) purchase Day Book,

ii) sales Day Book

c) Open a purchases and sales Account in the General Ledger

3. You intend to start a company workshop in a nearby trading centre in your area.

- a) Identify the pre-operating expenses for the project.
- b) What factors would you consider when choosing the site for the project?
- c) Explain the factors you would consider when selecting machinery and equipment for the project.
- d) Describe the techniques you would use handling difficult customers.

4. The following transactions were carried out by NILE traders in the month of December, 2004:  
shs

December 1 credit purchases from Agaba on invoice No.36 300,000

2 credit purchases from Mamba on invoice No.37 450,000

3 credit sales to Sarah on invoice No.523 270,000

4 credit purchases from Robert on invoice No.38 350,000

5 returned goods to Agaba 60,000

6 credit sales to Brian on invoice no.s24 210,000

8 credit purchases from Jane on invoice No.39 550,000

10 goods returned by Sarah 40,000

11 credit purchases from Jane on invoice No. 40 600,000

12 credit sales to Julius on invoice No.s25 430,000

13 credit purchases from Jimmy on invoice No.41 370,000

15 Goods returned to Robert 50,000

17 goods returned by Julius 30,000

18 credit purchases from:

Dick on invoice No.42 400,000

Okello on invoice No. 43 500,000

24 credit sales to:

Ogwang on invoice No.s26 650,000

Betty on invoice No.s27 530,000

29 returned goods to Okello 60,000

31 goods returned by Betty 30,000

Required to prepare NILE Traders:

a) i) purchases journal,

ii) sales journal

iii) returns outwards journal

iv) returns inwards journal.

b) Explain the importance of a General journal in accounting.

5. Your school entrepreneurship club intends to start a fruit juice processing project:

a) Explain the factors that you would consider when selecting raw materials for your project.

b) What type of packaging materials would you use for your products?

c) Why would you package your products?

d) How would you determine the prices for your products?