

BETHANY HIGH SCHOOL – NAALYA

S.3 ENTREPRENEURSHIP 845/1

2½ HOURS

Paper 1

INSTRUCTIONS:

Attempt all questions

1. You intend to establish a car washing bay in your town.
 - (a) Describe the steps you would take when starting your business. (6mks)
 - (b) Explain the factors you would consider when assessing the market potential of your business. (10mks)
 - (c) Give any five ways by which you will promote your service. (5mks)
 - (d) Outline the challenges you are likely to face while operating your business. (4mks)

2. You intend to start a carpentry workshop in a nearby trading centre in your area.
 - (a) Identify the pre-operating expenses in the project. (4mks)
 - (b) What factors would you consider when choosing the site for the project? (5mks)
 - (c) Explain the factors you would consider when choosing the site for the project. (5mks)
 - (d) Describe the techniques you would use when handling difficult customers. (6mks)

3. The following transactions were carried out by NILLE traders in December 2004

December	shs
1 credit purchases from Agaba on invoice No. 36.	300,000
2 credit purchases from Mombasa invoice No. 37.	450,000
3. Credit sales to sarah on invoice No. S23	270,000
4. Credit purchases from Robert on invoice No 38.	350,000
5.Returned goods to Agasa	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 Dan 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 purchase from	
Dick on invoice No. 42	400,000
Okello on invoice No. 43	500,000
24 credit sales to	
Ogwang on invoice No. s26	60,000
Betty on invoice No. S27	30,000

Required to prepare Nile Traders.

- (a) (i) Purchase Journal (8mks)
- (ii) Sales Journal (5mks)
- (iii) Returns outwards Journal (3mks)
- (iv) Returns inwards Journal (3mks)
- (b) Explain the importance of a General Journal in accounting . (6mks)
4. 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. (10mks)
- (b) What type of packaging materials would you use for your products?(5mks)
- (c) Why would you package your products? (5mks)
- (d) How would you determine the prices for your products

End