

UGANDA MARTYRS S.S NAMUGONGO

O' LEVEL ENTREPRENEURSHIP SEMINAR HELD ON 28th JUNE 2025

SECTION A: All items are compulsory

ELEMENT OF CONSTRUCT 1: APPRECIATE BUSINESS START-UP

Item 1

Mark intends to start a dairy farm in his home town near the Uganda-Kenya border. He has been advised that surveying the market would help the business to start with a good foundation. However, he does not know the steps to follow when conducting the survey and is not aware of any market survey tool. He is thinking of transacting business with other countries like Kenya but does not know its relevance due to limited skills.

Task:

- (a) (i) Guide Mark on the steps he should follow when conducting the survey for the business.
- (ii) Develop a market survey tool that will help Mark to collect information during the survey.
- (b) Advise Mark on the relevance of conducting business with other countries.

Item 2

Apio has received UGX 10,000,000 as an appreciation from her father for recently graduating with a first class degree. In addition to that, she has borrowed UGX 2,000,000 from a village SACCO. She is intending to start either a shop selling agricultural produce or an electrical appliance shop in her home town but does not know how to select the better of the two. She also does not know how to spend the funds and suitably locate her business. She has come to you for help.

Task: As a learner of Entrepreneurship, help Apio to;

- (a) Choose a good business opportunity.
- (b) Prepare a statement that can guide her cash expenditure when implementing the selected business.
- (c) Select a good site for the planned business.

Item 3

Timothy and Richard plan to start up a welding business as a limited liability company in Nakawa town. They have agreed to contribute UGX 2,000,000 as share capital each. However, they are worried about how their business will be

internally organized and managed. They also have little information on how they will carry out production of the proposed goods.

Task

- a) Guide Timothy and Richard on how to govern the internal organization of their business.
- b) Prepare a plan that will assist Timothy and Richard to carry out production of the proposed goods.

Item 4

Joanita has a dream of starting a hardware shop in the nearby trading center. The business requires minimum capital of shs15,000,000 but she only has savings of UGX 5,000,000. She is therefore worried of where to get the remaining capital and doesnot know the procedure to follow in order to commence her business.

Task:

- a) (i) Apart from savings, advise Joanita on how she can raise additional funds to commence her business.
(ii) Guide Joanita on the steps she should follow to start her business.
- b) Develop a plan that will be followed by Joanita to implement the start-up process in a focused way.

Item 5

Nelson is a former bank teller who worked with Stanbic bank for 10 years. While in service, he interacted with many businessmen including those in agro forestry who deal in growing of eucalyptus trees in Mityana district. Nelson got greatly inspired in tree growing business and started saving part of his salary in order to invest in tree growing. However, he lacks knowledge on the economic resources needed in agro forestry and how to make a plan to market his timber.

Task:

- a) Guide Nelson about the resources that will facilitate his business to start operations.
- b) Help Nelson to prepare a plan which he will use to market the timber.

ELEMENT OF CONSTRUCT 2: MANAGE A BUSINESS

Item 1

Mukisa operates a bakery in his home town. The bakery has been in operation for a period of 3 years but it has completely failed to capture market. Having invited you to inspect the business, you have found out that the business uses inappropriate technology, produces poor quality products, has a disorganized leadership structure and poorly markets its products. Mukisa has received information that his products do not reach customers in the area and even those from far due to poor distribution strategies

You have therefore advised him to embrace innovation in order to improve business performance. However, he is ignorant about the innovations to undertake.

Task: Guide Mukisa on:

- (a) Appropriate types of innovation that he can adopt to solve the challenges in his business.
- (b) How to ensure that products reach the final consumers easily.

Item 2

Semambo owns a restaurant in a busy trading Centre in his home area. He opens the restaurant at 6.00am and closes at 10.00pm every day. He recently introduced local dishes as part of his new menu and he uses the internet to find out trending dishes. Two weeks ago, fire burnt down part of his restaurant and he ordered for a fire extinguisher. He is planning to open up another branch in Kireka but he is worried of how to create awareness.

In order to make future business projections, he set cash predictions for the last two months of 2025. These include; opening balance of UGX 40,000,000, monthly cash sales of UGX 30,000,000, monthly cash receipts from Kato of UGX 5,000,000, monthly acquisition of kitchen appliances of UGX 50,000,000 and purchase of a delivery motorcycle at UGX 1,000,000 during the last month.

Task:

- (a) With evidence, identify the Entrepreneurial traits possessed by Semambo
- (b) Using your entrepreneurial skills, Help Semambo to prepare a cash forecast for the last two months of 2025.
- (c) Design a suitable advert that Semambo will use to promote the new branch.

Item 3

Lutaaya has been operating a saloon business for the last five years. During this year, he has drastically experienced a drop in his profit margins. A close friend advised him to introduce additional services such as manicure, pedicure, massage and facial scrub, hair dressing and mobile money but he has been hesitant on adhering to his friend's advice. He intends to embark on use of adverts to promote his business.

Task:

- (a) As a learner of Entrepreneurship, guide Lutaaya on the benefits he is likely to enjoy from adhering to his friend's advice.
- (b) Advise him on the different forms through which he can create awareness of his services.

Item 4

Dalausi operates Dalausi Juice Company, a well-established natural juice supplying company in Uganda. The business intends to expand beyond the traditional market. In order to beat competition, a new product line of beetroot juice using locally sourced ingredients has been introduced.

Dalausi and the new trained worker plan to concentrate on developing the new recipe while his existing workers will continue to handle production of the old flavours. Since customers always find it difficult to access the business, he intends to design an advert for directing them.

Task:

- (a) Identify the benefits of Dalausi concentrating on the new recipes while existing workers concentrate on the old flavours.
- (b) (i) Design a suitable advert for directing customers to the business.
(ii) Other than advertising, propose other ways through which Dalausi can out-compete other businesses.

Item 5

Dorothy operates a maize milling firm in her locality. The business produces maize flour in large quantities. However, the business produces poor quality maize flour, rarely markets the products and products rarely reach distant places. Very few people are aware of the operations of the business. Dorothy has now embarked on massive research and has consulted you for advice.

Task:

- (a) Advise Dorothy on the strategies she can undertake to improve the quality of her products.
- (b) Use your entrepreneurship skills to guide Dorothy on the marketing activities she can undertake to solve the challenge.
- (c) Help Dorothy to select a suitable path to enable the business products to reach the final consumer.

ELEMENT OF CONSTRUCT 3: APPRECIATE BUSINESS SUPPORT

Item 1

Robinah runs a successful supermarket in her home trading centre. The business carries out numerous transactions with both local and international suppliers. Robinah has found it difficult to effect all payments using cash, she also leaves work late when all banks are closed and also fears to move with hard cash. The customers are also complaining that the business accepts only cash which is not convenient to some of them. Of recent, the business was robbed of business cash worth UGX10,000,000. Since the business is insured with SWICO, Robinah intends to make a claim but she does not know the steps involved.

On several occasions, Uganda Revenue Authority (URA) has contacted Robinah on Tax matters but she is still hesitant to file returns and dodges tax payment.

Task:

- (a) Guide Robinah on the electronic payment options she can use to solve the challenges above.
- (b) Advise Robinah on the steps to undertake in order to be compensated by the insurance company.
- (c) Guide Robinah on the roles played by URA.

Item 2

Johan is operating a small scale business specialising in production of sweets. Of recent, the officials from ministry of health, UNBS, URA and municipal council conducted a joint operation crack down on manufacturing businesses and they found out that in Johan's business, production is being done in a dirty environment, inaccurate weighing scales are being used, the ingredients used in production are not indicated on the packaging materials, the sweets produced do not meet the set quality standards and does not have a trading license.

URA and municipal officials found out that he was not filing the tax returns of the business and he claimed he was not aware of the different taxes he is meant to pay. He was also advised to pay his employees through the bank but he does not know the steps to follow when opening a bank account

Task: Guide Johan on the;

- (a) Steps to follow when opening a bank account.
- (b) Acts that he should observe during his operations to ensure that consumers are safeguarded.
- (c) Taxes the business should pay to the responsible authorities.

Item 3

Josephine operates a supermarket business in Matugga town. During the last three years, there has been an increase in the assets of her business. However, she has found out that some customers pick items from the supermarket without payment, her sister takes goods and cash for her own use and she is rude while talking to customers. The business receives fake notes from customers, fails to serve customers online and does not have appropriate records yet Josephine sometimes takes a week without coming to the business.

She has been advised to implement technology in her business. However, she is not sure of how technology can help her in running the business.

Task:

- a) Identify the management mistakes that can lead to collapse of her business.
- b) Guide Josephine on the different ways through which technology can be implemented to solve the challenges in her business.

Item 4

Henry owns a hardware business in Fort portal city. He was recently attacked by robbers at night who took the cash he had and went away with the keys of the hardware which put a possible threat to the stock in the hardware. The business is also gradually declining in performance. He is planning to apply for an insurance policy and to also open up a bank account where he can keep his money. However, he lacks adequate knowledge on how to go about with those processes.

Task:

- (a) Guide Henry on the different bank accounts that he can open in financial institutions.
- (b) Advise Henry on how he can improve the performance of his business.
- (c) Advise Henry on the different insurance policies he can undertake to safeguard his business.

Item 5

Kidde is a trader specialising in shipping of electronics from China to Uganda. Of recent, he lost millions of money when some of his goods were stolen by robbers in Mombasa. He has been advised to safeguard his business against such risks. Besides that, he has failed to understand how much tax revenue is to be paid by his employees. After visiting Uganda Revenue Authority offices, he was given the following tax rates

Monthly Chargeable Income (UGX)	Tax rate
0-235,000	NIL/ZERO
235,000-335,000	10% of the amount by which the chargeable income exceeds UGX 235,000
335,000-410,000	UGX 10,000 plus 20% of the amount by which chargeable income exceeds UGX 335,000
Exceeding 410,000	a) UGX 250,000 plus 30% of the amount by which chargeable income exceeds UGX 410,000 b) Where the chargeable income exceeds UGX 10,000,000, an additional 10% is charged on the amount of income exceeding UGX 10,000,000

His workers earn the following salaries

John	UGX 238,000
Joan	UGX 450,000
Henry	UGX 12,820,000

Task:

- Guide Kidde on how he will benefit from safeguarding his business against unexpected happenings.
- Help Kidde to determine the PAYE to be paid by each of his employees.

Item 6

Lewis owns apartments in Namugongo, Kira and Kyanja. He charges high rent on tenants, speaks to them in a rude way, and does not renovate the apartments. He earns an annual income of UGX55,000,000, UGX 20,000,000 and UGX 42,000,000 respectively. He has been receiving messages from Uganda Revenue Authority reminding him to pay the tax charges levied on his apartments and workers' incomes. However, he has been reluctant to pay taxes

Task:

- Identify the unethical issues portrayed by Lewis as an entrepreneur.
- Given a tax rate of 12% and a threshold of shs.2,820,000, Help Lewis to determine the exact amount of tax he has to pay annually from his rental income.
- Guide Lewis on the benefits his business will get by paying taxes promptly.

SECTION B: A learner attempts only one item in this section.

ELEMENT OF CONSTRUCT 4: APPLY BOOK KEEPING SKILLS

Item 1

Pamela commenced Executive cosmetics traders on March 1st 2025 with capital of UGX8,000,000 in cash. She uses a simple counter book to record her business transactions. During the month of March, the following records were made.

Date 2025	Details	Amount (UGX)
March 2 nd	Bought goods for resale by cash	800,000
March 4 th	Sold 5 perfumes	600,000
March 6 th	Sold 10 perfumes	1,000,000
March 8 th	Sold 50 tins of Vaseline to Isaac	500,000
March 10 th	Bought 40 tins of Vaseline from Ian on credit	1,600,000
March 12 th	Bought 90 tins of Vaseline	720,000
March 14 th	Paid salary to shop attendant by cash	1,200,000
March 16 th	Sold 50 tins of vaseline to Isaac	884,000
March 18 th	Paid Ian the entire amount due	?
March 20 th	Received cash from Isaac	1,000,000
March 22 nd	Pamela took 2 perfumes for her own use	200,000

Task: Using your book keeping skills, help Pamela to:

- Complete double entry.
- Check arithmetical accuracy.

Item 2

Mukiibi has just started a business in a rented room in Mbale city. He deals in buying and selling of juice. He lacks basic book keeping skills but records information related to the business in a small exercise book. The city authorities want him to prepare proper books of accounts before a trading license is issued to him.

Mukiibi has presented to you his exercise book from which you find the following information for the first two weeks of the month of May 2025.

1st Recorded cash available in business UGX 3,700,000 as his contribution to the start of the business

2nd Recorded that he bought juice for UGX 300,000 and paid cash.

3rd Recorded that he received cash UGX 400,000 after selling 10 bottles of juice.

4th Indicated that he bought a dispenser for storing juice UGX 700,000.

5th A record shows that he paid cash UGX 150,000 to his landlord for the month of April and May 2025.

6th Recorded that he drunk a bottle of juice worth UGX 40,000 from the shop without paying for it.

8th He made a record showing he bought more bottles of juice and paid cash of UGX 250,000

14th Recorded that he took juice to a customer's home and received cash of UGX 200,000. He indicated that he paid UGX 10,000 to a motorcycle rider who transported him to the customer's home.

Task: Prepare for Mukiibi the relevant book keeping records to:

- (a) (i) Show the cash position of the business as at May 31st 2025
- (ii) Show the different accounts required to complete double entry.
- (b) Check the arithmetical accuracy of his business records.

Item 3

Mape John operates Mape Retail Enterprises and it is the leading retail shop in the trading centre. The following transactions relate to the month of July 2024. Mape is however challenged with organizing them in appropriate books.

1st July Started business with cash in hand worth UGX 200,000 and cash at bank UGX 850,000.

5th Received a cheque from Kasozi worth UGX 150,000.

7th Received a cash sale slip of UGX150,000 for goods bought.

10th Issued a receipt of UGX200,000 for goods sold.

11th Paid Nakato by cheque UGX 95,000.

15th Bought stationery for use in cash UGX 20,000.

15th Paid rent by cheque UGX 100,000.

20th Received payment from Aggie by cheque UGX 300,000.

25th Paid Kato by cheque UGX 50,000.

26th Picked cash UGX 20,000 from cashier for private use.

27th Withdrew cash from bank UGX 150,000.

30th Purchased goods in credit from John UGX 30,000.

Task: Using your entrepreneurial skills, help Mape to:

- (a) Specify the ledger books required to record the transactions above.
- (b) Determine the cash and bank balance as at 31st July 2024.

Item 4

Kibirige operates Mukene and sons Wholesalers ltd. The business carries out numerous transactions in a month. The company employs an Accounts assistant who fell sick and was granted a sick leave for the month of April 2025. He had recorded the following transactions for the month.

April 1st balance brought down from March:

Cash at hand UGX 1,200,000, Cash at bank UGX 5,500,000

Debtors:

Njobe	UGX 2,000,000
Lindah	UGX 2,600,000
Kikayo	UGX 460,000

Creditors:

Tom	UGX1,100,000
Jane	UGX 2,200,000
Mark	UGX 500,000

April 2nd Njobe paid his account by cheque less 2½% cash discount.

April 10th Issued a cheque to Mark in full settlement of his debt deducting 5% cash discount.

April 12th Withdrew cash for business use UGX 1,000,000.

April 16th Received a cheque from Lindah in full settlement of her debt less 2½% cash discount.

April 20th Cash sales deposited directly on bank account UGX 6,000,000.

April 23rd Kikayo cleared his account by cash less 2% cash discount.

April 28th Issued a cheque to Tom deducting 2% cash discount.

April 29th Banked UGX 100,000.

April 30th Paid Jane by cheque less 2% cash discount.

Task: Help Kibirige to;

- Help Kibirige to prepare a duly balanced cash book.
- Post to the Discount Accounts and balance them off.

Item 5

Lutalo Oscar came up with an idea of starting a school in his locality called Luts Junior school. He has been writing all the records himself. However, he is overwhelmed with the daily transactions. He has therefore hired his S6 daughter in vacation to help him handle the weekly expenditure. The average weekly expenditure is UGX 400,000 which was spent as follows;

Date	Details	Amount (UGX)
May 1 st 2025	Balance brought forward	25,000
	Cash re-imbursed	?
May 3 rd	Paid for petrol and oil	20,000
	Bought stationery	10,000
	Paid supplier for amount due	40,000
	Paid staff meals	10,000
May 4 th	Airtime	25,000
	Telephone repair	30,000
May 5 th	Newspapers and magazines	13,000
	Photocopying papers	20,000
	Staff meals	15,000
May 6 th	Van repair	20,000
	Airtime	12,000
May 7 th	Office cleaners wages	30,000
	Printing papers	24,000
	Petrol and oil	30,000
	Staff meals	15,000
	Stationery	20,000

The daughter needs to be trained on the appropriate records to be made.

Task:

- Help Lutalo to prepare a book that he will show to his daughter to determine the total weekly expenditure for the week with analysis columns for office expenses, stationery, motor expenses, telephone, and ledger analysis columns
- Help Lutalo to post to the appropriate accounts.

Item 6

The following information relates to the records of Highrun Traders for the month of January 2025. However, the business owner, Donald has consulted you about the necessary entries to be made.

Details	No	Amount (UGX)
<u>INCOMING INVOICES</u>		
Jan 2 nd LINDAYA	22	1,200,000
12 th LUCKLIN	26	900,000
21 st ROCKET ENTERPRISES	38	3,200,000
<u>OUTGOING INVOICES</u>		
Jan 10 th RIVER ENTERPRISES	03	730,000
30 th LAKE VIEW LTD	19	423,000
<u>INCOMING CREDIT NOTES</u>		
Jan 24 th ROCKET ENTERPRISES	22	70,000
17 th LUCKLIN	06	88,000
<u>OUTGOING CREDIT NOTES</u>		
Jan 12 th RIVERS ENTERPRISES	11	30,000
31 st LAKE VIEW LTD	12	100,000

Task: Help Donald to;

- Prepare appropriate books of original entry to record the above transactions.
- Post to the purchases ledger, sales ledger and general ledger.

Item 7

Flavia owns Flavia Bakery limited. She employed a Senior four leaver as a cashier. However, she lacks knowledge about source documents and the relevant books where original entries should be recorded.

Flavia Bakery Limited set the following recommended prices for its products for the year 2025 as indicated below:

- UGX 2,000 per loaf of bread.
- UGX 1,500 per packet of bans.
- UGX 2,500 per packet of cakes.
- UGX 1,000 per packet of cookies.

During the month of January 2025, they made the following credit sales:

- Jan 2nd To Abby 50 loaves of bread, 30 packets of bans and 20 packets of cakes.
- Jan 10th To Aisha 70 loaves of bread, 100 packets of cakes and 50 packets of cookies
- Jan 15th To Allan 150 loaves of bread, 100 packets of bans, 50 packets of cakes and 50 packets of cookies.
- Jan 20th To Akello 120 loaves of bread, 140 packets of cookies and 100 packets of cakes all less 20% trade discount.

Task:

- (a) (i) Guide Flavia on the books of original entry required in recording business transactions.
 (ii) Write an appropriate documentary evidence to be issued to Abby.
- (b) (i) Help Flavia to prepare an appropriate book of original entry.

Item 8

Isaac operates Anyiru Poultry Enterprises. The trial balance below relates to the records as at 31st December 2024. However, a lot of errors were detected in the statement and this caused a lot of discrepancies at the time of determining the profitability of the business.

Particulars	Dr (UGX)	Cr (UGX)
Poultry machinery	4,500,000	
Bank overdraft		460,000
Stock January 1 st 2024	1,400,000	
Motor vehicle	3,500,000	
Purchases and sales	2,230,000	6,540,000
Returns	340,000	210,000
Electricity	205,000	
Salaries and wages	250,000	
Drawings	670,000	
Bank	1,420,000	
Discount received		170,000
Cash	820,000	
Debtors and creditors	1,500,000	1,280,000
Capital		8,540,000
Suspense	365,000	
	<u>17,200,000</u>	<u>17,200,000</u>

The following errors were discovered prior to the preparation of the final accounts.

1. The sales journal was over cast by UGX 430,000
2. The returns inwards journal was overcast by UGX 25,000
3. Discount allowed UGX 140,000 had been debited to discount received account
4. A cheque for UGX 120,000 received from Bogere a debtor was debited to his account
5. A cheque for UGX 200,000 issued to Umeme for payment of electricity bill was not debited to the electricity account.

Task: Help Isaac to prepare;

- (a) (i) Journal entries to correct the above errors.
(ii) Suspense Account dully balanced.
- (b) Revised Trial Balance.

Item 9

Marvin operates Marvin Cosmetics. At the end of the year Dec 31st 2024, his Cashier left the job after securing a better job opportunity in United Arab Emirates. However, the cashier left before establishing the arithmetical accuracy and profitability of the business.

The following balances were available in the record books.

PARTICULARS	AMOUNT (UGX)
Capital	250,000
Buildings	120,000
Furniture	150,000
Purchases	465,000
Sales	560,000
Drawings	24,000
Discount allowed	10,000
Discount received	8,000
Stock at 1 st /Jan 2024	63,000
Rent paid	10,000
Rent received	6,000
General expenses	10,000
Debtors	70,000
Creditors	98,000
Stock at 31/Dec/2024	88,000
Returns inwards	8,000
Returns outwards	8,000

Task: Using your book keeping skills, help Marvin to;

- Make an organized summary of the ledger balances.
- Determine the profitability of the business.
- Determine the financial position of the business.

Item 10

Acen operates a maize milling business in Budaka town. She employed an Accounts assistant whose contract expired at the end of 2024. The Accounts assistant left when he had prepared the following trial balance.

Details	DR (UGX)	CR (UGX)
Capital		1,000,000
Purchases of maize	400,000	
Fixtures	85,000	
Vehicle	250,000	
Sales of maize flour		650,000
Discounts	500	450
Rent	15,500	
Rent Income		550
Insurance	35,400	
Transport	28,100	
Electricity	2,500	
Debtors	250,000	
Creditors		84,450
Rates	1,500	
Stock (01-01-2024)	38,000	
Salaries	22,000	
Drawings	5,900	
Bank	590,000	
Cash	11,050	
Total	1,735,450	1,735,450

Acen is eager to know the profits and financial position of her business. However, she is so busy and has consulted you for assistance.

Task:

Help Acen to prepare financial statements for her business to determine the;

- Profit or Loss made by the business.
- Value of the business assets and liabilities.

ELEMENTS OF THE CONSTRUCT

The whole paper is developed basing on the elements of the construct which are subdivided as below;

1. Appreciate Business start-up.
2. Manage a business.
3. Appreciate Business support:
4. Apply Book keeping skills.

ITEM	ELEMENT OF THE CONSTRUCT	TOPIC/SUB TOPIC
1	Appreciate Business start-up	• Businesses in Uganda and their types • Business ideas • Business opportunities • Market survey/research • Business start-up process • Sources of business finance • Saving and investment • Legal forms of business ownership • Cooperatives in Uganda • Formalizing a business • Location of business • Human wants • Factors of production • Preparation of a business plan • Preparation of an Action plan • Introduction to International trade • Regional cooperation
2	Manage a business	• The entrepreneur and qualities • Creativity and innovation • Factors of production • Specialization, division of labour, and diversification • Raw materials • Machinery, equipment and tools • Marketing in a small enterprise • Channels of distribution • Advertising and sales promotion • Cash flow planning and estimates

3	Appreciate Business support	➤ Money and financial institutions ➤ Central bank ➤ Commercial banks ➤ Types of bank accounts ➤ Micro finance institutions ➤ SACCOs ➤ Electronic banking ➤ Risks in business ➤ Insurance ➤ Terms used in insurance ➤ Principles of insurance ➤ Insurance documents and process ➤ Challenges facing insurance companies ➤ Introduction to government revenue ➤ Taxation ➤ Tax administration in Uganda ➤ Tax compliance ➤ Basic tax computations (Income tax, corporation tax, rental tax) ➤ Business ethics ➤ Consumer protection ➤ Technology in business ➤ Success in Business
4 & 5	Apply Book keeping skills (Section B)	➤ Book keeping ➤ Source documents ➤ Books of original entry ➤ The ledger and Trial balance ➤ Correction of errors ➤ Statement of comprehensive income (Trading profit and loss account) ➤ Statement of financial position (Balance sheet)

“Unveiling the true quality of Entrepreneurship”

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BONUS ITEMS

SECTION A

Item 1

Mikey has just completed his Uganda Advanced Certificate of Education and has an ambition of starting up an agribusiness using capital of UGX 10,000,000 which has been raised by his family members. However, he is still challenged on selecting a specific line of agribusiness to venture in. He has been advised that he will need to draft a document that will summarize the nature of the business line selected in an organized way. He does not know the components to include in the document due to limited skills.

Task:

- (a) Use your entrepreneurial skills to guide Mickey about the different sources which he can base on to choose a specific business.
- (b) Guide Mickey on the components to be included in the document that will bring out the nature of the business he will select.

Item 2

Brian is operating a takeaway fast food restaurant in his home town. The restaurant is located in an area where many other restaurant operates. The restaurant is facing numerous challenges such as unreliable suppliers of Irish potatoes, limited menu items, using an old chips frying machine chips and poor quality of dishes served. Brian wishes to pursue innovation to enhance his business, despite not being very familiar with it. He has been advised to install a big banner near his business but he is still hesitant due to limited skills.

Task:

- (a) Guide Brian about the innovative strategies he can use to improve production in his business.
- (b) (i) Advise him on the benefits his business will get by installing a banner near the business.
(ii) Prepare an attractive banner for his business.

Item 3

Timothy is operating a large supermarket in Wandegaya town. The business has been progressing for the last five years. However since 2025 started, the business has faced several challenges such as theft of business cash, failure to serve customers who make orders online, limited market for business products, fake money brought by customers and unpaid utility bills. This has led to decline in sales and profit revenue received by the business.

During the previous financial year, the supermarket realized revenue of UGX250,000,000 yet the total expenses amounted to 123,000,000. Since the supermarket is registered as a company, URA claims for corporation tax for the previous financial year and is threatening to close his supermarket. Timothy is confused and seeking for your help on how to determine the tax.

Task:

- (a) Guide Timothy on the electronic business options he can embrace to solve the challenges in the business.
- (b) (i) Given that Corporation Tax rate is 30%, calculate for Timothy the tax payable to URA.
- (ii) Advise Timothy on the elements of tax compliance he should comply with to avoid colliding with URA.

SECTION B**Item 4**

Namyalo operates a bakery in Buikwe district. She gets customers on a daily basis and keeps incomplete records in a small note book. She has been advised to get a simple computer to record her transactions in an organized way but she is still reluctant due to limited skills. Namyalo also wants to determine the profitability of her business as on 31st December 2024. She has provided you with the following information;

Particulars	Amount (UGX)
Sales of bread	30,000,000
Purchases of wheat and sugar	20,000,000
carriage inwards	400,000
Returns from customers	600,000
returns to suppliers	500,000
Opening stock	2,400,000
Closing stock	2,000,000
Expense on rent and license	300,000

Task:

- (a) Guide Namyalo on the benefits of recording her transactions in an organized way.
- (b) Prepare an account to determine the profit or loss made by the business.

Item 5

Wasswa is operating Wasswa Traders, a wholesale business in his town. On 31st May 2024, his capital was valued at UGX 10,300,000 which he increased by getting a long-term loan of UGX 2,000,000 and acquiring credit supplies of UGX 400,000. The business owned premises of UGX 2,000,000, motor vehicle of UGX 6,000,000, closing Stock of UGX 900,000, debtors of UGX 1,200,000 and cash of UGX 2,700,000 and Wasswa withdraw UGX 600,000 for his personal use. Due to insufficient fund, he got a bank overdraft of UGX 700,000 from Centenary bank.

Centenary Bank has requested him to present proof of arithmetical accuracy and financial position as he finances the loan. However, she has limited skills and is seeking for your assistance.

Task:

- (a) Determine the arithmetical accuracy for Wasswa traders.
- (b) Help Wasswa to prepare a statement to show the financial position of the business.

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