

KCSE 2024 REGIONAL MOCKS

BUSINESS STUDIES

*The PDF Comprises of A Compilation of 4
Top Joint National Mocks Administered
across the 47 Counties for KCSE Class of
November 2024*

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KENYA EDUCATORS CONSULTANCY

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KENYA EDUCATORS CONSULTANCY

MINISTRY OF EDUCATION (KNEC COMPLIANT)

NAME:**ADM NO:**.....**CLASS:**

SCHOOL

565/1
BUSINESS STUDIES
PAPER 1
CLASS OF KCSE 2024
TIME: 2 HRS

THE NAIROBI & CENTRAL REGIONS KCSE
JOINT NATIONAL MOCK 2024

Kenya Certificate of Secondary Education (KCSE)

INSTRUCTIONS to candidates

- (a) Write your name and adm number in the spaces provided above.
- (b) Answer ALL the questions.
- (c) All answers must be written in the spaces provided.
- (d) Candidates should check the question paper to ascertain that all the pages are printed as indicated and no of questions missing.
- (e) This paper consist of 8 printed pages.

For Examiners Use Only

Questions	1	2	3	4	5	6	7	8	9	10	11	12
Marks												

Questions	13	14	15	16	17	18	19	20	21	22	23	24	25
Marks													

Total marks

--

MINISTRY OF EDUCATION (KNEC COMPLIANT)

1. Highlight four principles of insurance. (4 mks)

- (i)
- (ii)
- (iii)
- (iv)

2. Outline four reasons how competitive environment affects Business activities. (4 mks)

- (i)
- (ii)
- (iii)
- (iv)

3. State four characteristics of a perfect competition market. (4 mks)

- (i)
- (ii)
- (iii)
- (iv)

4. Outline four differences between a good and a service. (4 mks)

(i)		
(ii)		
(iii)		
(iv)		

MINISTRY OF EDUCATION (KNEC COMPLIANT)

5. Match the following statements with the correct source documents. (4 mks)

	Statement	Source document
(i)	A document that serves as an evidence that cash has been received or paid out.	
(ii)	A document that shows the details of all the expenses incurred, the amount of money spent and the purpose of incurring such an expense.	
(iii)	A document sent by the seller to the buyer demanding payment for goods or service delivered.	
(iv)	A document written by a supplier and sent to a buyer informing him / her that his / her account with the supplier has been debited.	

6. This is the Mitegi's demand schedule for Bread in a week.

<u>Price per loaf (shs)</u>	<u>No of loaves demanded</u>
30	1
20	2
15	4
12	6
10	8
5	12
1	20

Required:

Draw the demand curve of Mutegi's Bread for a whole week. (4 mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

7. Highlight four importance of business studies to a learner. (4 mks)

- (i)
- (ii)
- (iii)
- (iv)

8. Using the balance sheet equation. Fill the missing figures in the following table. (4 mks)

	Assts	Capital	Liabilities
(i)	21,920	?	30,341
(ii)	?	2,192	19,840
(iii)	3,773	1,591	?
(iv)	240	150	?

9. Outline four roles played by the stock exchange market as a market for securities. (4 mks)

- (i)
-
- (ii)
-
- (iii)
-
- (iv)
-

10. Highlight four factors which may influence choice of a distribution channel. (4 mks)

- (i)
-
- (ii)
-

MINISTRY OF EDUCATION (KNEC COMPLIANT)

(iii)
.....
.....
.....

11. Outline four advantages of a bonded warehouse. (4 mks)

(i)
.....
(ii)
.....
(iii)
.....
(iv)
.....

12. Match the following documents with their relevant uses. (4 mks)

	Statement	Documents
(i)	This is a document which briefly describes the goods a seller stocks	
(ii)	A documents sent by the seller to the buyer when an inquiry is specific in mature.	
(iii)	A document sent to a prospective buyer to inform him/her that the order has been received and it is being acted upon.	
(vi)	A document sent by the buyer when goods get damaged on the way and returned to the seller.	

13. Highlight our goals of economic development. (4 mks)

(i)
.....
(ii)
.....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

- (iii)
-
- (iv)
-

14. Outline the type of unemployment in an economy and give the cause for each.
(4 mks)

- (i) Unemployment occurs when people lose jobs and go looking for new ones
.....
- (ii) Unemployment that occurs when people are actively looking for jobs at the existing wage rate but cannot get them.....
- (iii) Unemployment that occurs repeatedly at similar times
.....
- (iv) Unemployment that occurs when demand for labour declines due to either changes in the method of production or a decrease in the supply of goods and services.
.....

15. Outline four reasons why there is need for ethical practices in business. (4 mks)

- (i)
-
- (ii)
-
- (iii)
-
- (iv)
-

16. Highlight four problems encountered in measuring national income using the output approach method. (4 mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

- (i)
- (ii)
- (iii)
- (iv)

17. Match the following uses with the appropriate office equipment. (4 mks)

	Uses	Office equipment
(i)	It is a machine that is used for preparing cash receipts	
(ii)	It is a machine used for trimming documents into required shapes and size.	
(iii)	A machine which is used for cutting unwanted documents into tiny pieces to avoid such documents getting into the wrong hands.	
(vi)	A machine which is used to complex calculations.	

18. Explain the meaning of the following terms of sale as used in international trade. (4 mks)

- (i) F.O.B. (Free on Board).....
- (ii) LOCO or ex-warehouse or ex-works.....
- (iii) F.O.R. (Free on Rail).....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

.....
(iv) In bond
.....
.....

19. Highlight four ways how consumers can protect themselves from exploitation from unscrupulous wholesalers / traders. (4 mks)

- (i)
- (ii)
- (iii)
- (iv)

20. Outline four criteria used in determining the size of the firm. (4 mks)

- (i)
- (ii)
- (iii)
- (iv)

21. Outline four tools that the central bank of Kenya uses to control monetary policy. (4 mks)

- (i)
- (ii)
- (iii)
- (iv)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

22. Calculate the gross profit given the margin of $\frac{1}{6}$ and the cost of goods sold to be 400,000/=.

(4 mks)

23. Highlight four advantages of operating a current account.

(4 mks)

- (i)
-
- (ii)
-
- (iii)
-
- (iv)
-

24. Outline four factors that influences the choice of product in the market.

- (i)
-
- (ii)
-
- (iii)
-
- (iv)
-

25. List four essential of an effective communication.

- (i)
- (ii)
- (iii)
- (iv)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

NAME: **ADM NO:**..... **CLASS:**

SCHOOL

565/2

BUSINESS STUDIES

PAPER 2

CLASS OF KCSE 2024

TIME: 2 HRS

THE NAIROBI & CENTRAL REGION KCSE
JOINT NATIONAL MOCK 2024

Kenya Certificate of Secondary Education (KCSE)

INSTRUCTIONS TO CANDIDATES

- i) This paper consists of **six** questions
- ii) Answer any **five** questions
- iii) Answers should be written on the spaces provided after question **six**
- iv) All questions carry equal marks
- v) This paper consists of **9** printed pages
- vi) Candidates should check the question paper to ascertain that all pages are printed as indicated and that no questions are missing
- vii) Candidates should answer the questions in English

MINISTRY OF EDUCATION (KNEC COMPLIANT)

1. (a) Explain **five** circumstances that can cause a business to succeed in their activities. (10marks)

(b) Explain **five** problems facing the savings and credit cooperative societies in Kenya. (10marks)

2. (a) A prudent tax system must meet certain essential qualities. Explain **five** indicators of a good tax system . (10marks)

(b) Describe the procedure an insured must take when making an insurance claim. (10marks)

3. (a) Ondari intends to promote his products. Explain **five** factors that he must take into account when deciding on which method to use. (10marks)

(b) Explain **five** weaknesses of using national income statistics as a measure of social welfare. (10marks)

4. (a) Explain **five** factors that justify the existence of small scale firms in an economy. (10marks)

(b) Bartenge Enterprises started business on 1st May 2014 with Shs. 250,000 consisting of:
Cash at bank Shs.200,000, Cash in Hand Shs. 30,000 and Furniture Shs. 20,000.
The following transactions took place during the month of May.
3rd May 2014, Motor Van worth Shs. 85,000 and stock of Shs. 25,000 were bought on credit
6th May 2014, more stock worth shs.10,000 was bought by cash
9th May 2014, withdrew money from bank sh 50,000 for office use
15th May 2014, Sold stock at cost to a customer on credit for shs. 18,500
19th May 2014, received a cheque for the full settlement of a debt owed from the transaction
of 15th may 2014
23rd May 2014, paid Shs. 65,000 by cheque for the motor van bought earlier on credit
31st May 2014, paid Shs. 20,000 cash for the stock bought on credit
Required:
Prepare the balance sheet of Bartenge Holdings as at 31st May 2014. (10marks)

5. (a) Explain **five** problems that are faced by a country with a big population of ageing persons. (10marks)
(b) Explain **five** difference between banking and non-banking financial institutions . (10marks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

6. (a) Explain **four** reasons why upward communication should be encouraged in an organization. (8marks)

- (b) The following trial balance was extracted from the books of Lule Traders on 30th April 2015

**Lule Traders
Trial Balance
As at 30th April 2015**

	Dr (Kshs.)	Cr (Kshs.)
Sales	186,000	
Purchases		115,560
Stock 1.5.2014	37,760	
Carriage outwards		3,260
Carriage inwards	2,340	
Returns	4,400	3,550
Salaries	24,470	
Electricity	6,640	
Rent		5,760
Sundry expenses		12,020
Equipment		24,000
Furniture		6,000
Debtors		45,770
Creditors		30,450
Bank	38,760	
Cash	1,200	
Drawings	20,500	
Capital	<u>128,440</u>	
	<u>348,440</u>	<u>348,440</u>

Stock as at 30.4. 2015 Shs. 49,980

Required:

- a) Trading, profit and Loss account for the year ended 30th April 2015 (8mks)
b) Balance sheet as at 30th April 2015 (4mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

Name.....Adm No.....

Signature..... Date.....

565/1

BUSINESS STUDIES

PAPER 1

CLASS OF KCSE 2024

2 HOURS

THE NYANZA & WESTERN REGIONS KCSE
JOINT NATIONAL MOCKS 2024

Kenya Certificate of Secondary Education (KCSE)

Instructions to candidates.

- a) Write your name and adm number in the spaces provided above.
- b) Sign and write the date of examination in the spaces provided above.
- c) Answer all the questions.
- d) All answers should be written in the spaces provided in this booklet.
- e) This paper consists of 7 printed pages.
- f) Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.
- g) Candidates should answer all the questions in English.

For Examiner's Use Only

Question	1	2	3	4	5	6	7	8	9	10	11	12	13
Marks													

Question	14	15	16	17	18	19	20	21	22	23	24	25
marks												

Total marks

MINISTRY OF EDUCATION (KNEC COMPLIANT)

1. Give **four** reasons that would lead a consumer buying goods directly from a producer (4mks)

2. Outline **four** advantages of using mobile phone money transfer services. (4mks)

3. Outline **four** requirements that are needed for a smooth functioning of a warehouse (4mks)

4. Outline **four** limitations that are imposed on limited partner by law. (4mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

5. Give **four** disadvantages of operating enclosed office layout. (4mks)

6. Outline **four** characteristics of under development. (4mks)

7. Highlight **four** ways through which the state is putting in place to bring sanity to the matatu sector. (4mks)

8. Using the book keeping equation. Fill the table below.

Assets	Capital	Liabilities
a.	4650	3200
1,505,000	807,000	b.
930,000	c.	450,000

MINISTRY OF EDUCATION (KNEC COMPLIANT)

d.	75,000	57,000
----	--------	--------

9. Outline **four** factors that determine the size of a population in a country. (4mks)

10. Nyamu traders had the following information for the month of October 2007

	sh	
Opening stock	200,000	
Closing stock	300,000	
Purchases	500,000	
Margin	20%	
Prepare its trading account for the month of October 2007.		(4mks)

11. Highlight **four** negative effects of inflation. (4mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

12. State **four** limitations of using the output method in measuring national income.

(4mks)

13. Give **four** advantages of using e-mail communication in business (4mks)

14. State any **four** benefits of using E-commerce in transacting business in an organization. (4mks)

15. Give any **four** conditions that a county's terms of trade is likely to improve.

(4mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

16. Highlight **four** sources of public finance. (4mks)

17. Differentiate between generic competition and enterprise completion. (4mks)

18. For each of the following transaction, indicate the account to be debited and the account to be credited.

Transaction	Account to be debited	Account to be credited
a. Sold goods on credit to Juma		
b. Bought motor van by cash		
c. Paid Maina a credit by cheque		
d. Purchased goods on credit from Aku for resale		

19. On 1st July 2012, Mara traders had sh 6,000 cash in hand and bank overdraft of sh 2,000. During the month the following transaction took place.

July 2: Received cheque from debtor of sh 50,000

July 5: Paid rent sh 2,000 cash

July 15: Withdrew sh 5,000 for personal use

July 25: Banked all the cash except sh 1,000

MINISTRY OF EDUCATION (KNEC COMPLIANT)

20. Outline **four** reasons why small scale firms continue to exist in an economy dominated by large scale firms. (4mks)

21. Identify the trader described by each of the following statements given below. (4mks)

Statement	Trader
a. A wholesaler who specializes in selling goods to another specialized wholesalers	
b. A wholesaler who moves from place to place selling goods	
c. Sells goods to the final consumer	
d. Sells goods along busy highways	

MINISTRY OF EDUCATION (KNEC COMPLIANT)

22. In the table below identify the information extracted from each of the following source documents. (4mks)

Source of documents	Information extracted
Cash payment voucher	
Outgoing receipts	
Incoming invoice	
Outgoing credit note	

23. The mere existence of natural resources in a country does not necessarily contribute to economic progress unless some conditions prevail. State the four conditions. (4mks)

24. State the significant of the following insurance policies of a business purpose. (4mks)

a. Fidelity guarantee

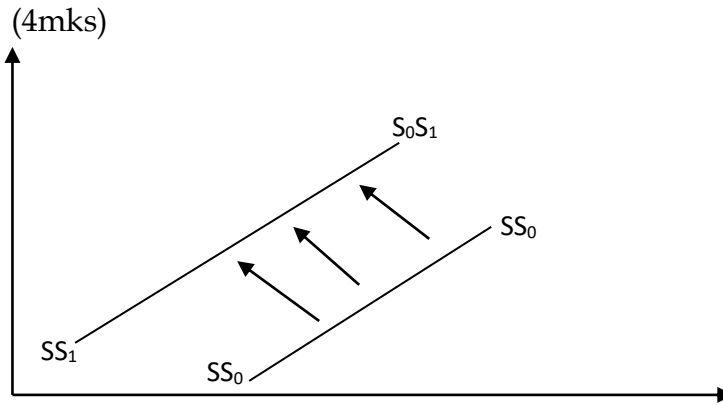
b. Public

liability_____

MINISTRY OF EDUCATION (KNEC COMPLIANT)

- c. Theft and burglary_____
- d. Workman's compensation_____

25. The following diagram shows a shift in supply curve.



State **four** factors that many have led to such a shift

MINISTRY OF EDUCATION (KNEC COMPLIANT)

Name.....Adm No.....

Signature..... Date.....

565/2

BUSINESS STUDIES

PAPER 2

CLASS OF KCSE 2024

2 HOURS

THE NYANZA & WESTERN REGIONS KCSE
JOINT NATIONAL MOCKS 2024

Kenya Certificate of Secondary Education (KCSE)

INSTRUCTIONS TO CANDIDATES

- This paper consist of **six** questions
- Answer any **FIVE** questions
- All questions carry equal marks
- Write your answers in the booklet provided

MINISTRY OF EDUCATION (KNEC COMPLIANT)

1. a) Explain **Five** factors that management of a business should consider before buying an office machine. (10 Marks)
- c) Outline **five** differences between a public corporation and a private limited company. (10 Marks)
2. a) Explain Five reasons why a country may experience balance of payments disequilibrium . (10Marks)
- b) The following information was obtained from the books of Powermax Stores for the month of June 2015. Post the information to the relevant ledger accounts and balance them off. (10Marks)
- June 1 : Balance in Cash shs. 60,000 , Bank shs 220,000 , Debtors shs 95,000 and Creditors shs 80,000
- June 5 : Received a cheque of shs. 75,000 from debtors.
- June 10 : Drew a cheque of shs 59,000 in respect of creditors.
- June 15 : Obtained a loan from KCB shs 130,000 ,money was deposited directly to the account.
- June 24 : Bought land for shs 217,000 ,paying shs 200,000 by cheque and the rest In cash.
- June 28 : Paid creditors in cash shs 1,000.
- June 30 : Deposited all cash into the bank except shs 4,000.
3. a) State and explain **Five** guidelines that governs a good tax system. (10 Marks)
- b) The type of advertising largely depends on the objectives to be achieved. Explain **Five** types of advertising. (10 Marks)
- 4 a) Highlight **Five** ways in which the Kenyan government may increase the amount of money in circulation. (10 Marks)
- b) Discuss **Five** factors that determine the amount of premiums charged in a life Assurance cover. (10 Marks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

- 5 a) Explain **Five** factors that hinders entrepreneurial practices in Kenya today. (10 Marks)
- b) With a well labeled diagram, explain the effect of an increase in demand on the equilibrium price and quantity. (10 marks)
7. a) Outline **Four** reasons why mobile phones (cell phones) have become a popular means of communication . (8 marks)
- b) The following Trial balance was extracted from the books of Mwakio Traders on 31st Dec 2005.

Mwakio Traders

Trial Balance

As at 31st December 2005

Name of Account	Dr (Shs)	Cr (Shs)
Purchases and Sales	70,000	95,000
Carriage outwards	4,000	
Stock (1/1/2005)	12,500	
Fixed Assets	82,000	8,500
Debtors and Creditors	10,500	10,300
Salaries	16,800	12,400
Bank overdraft	1,500	
Returns	2,500	
Cash in hand	5,200	<u>88,800</u>
General expenses	<u>205,000</u>	<u>205,000</u>
Capital		

Additional information:

Closing stock was valued at shs 6,500.

Prepare :

- i) Trading, profit and loss Account for the year ending 31st Dec 2005. (8Marks)
- ii) Balance sheet. (4Marks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

Name:.....AdmNo:.....Stream:.....

Candidate's Signature:.....

Date:.....

Index no:.....

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BUSINESS STUDIES

PAPER 1

CLASS OF KCSE 2024

Time: 2 Hours

THE COASTAL & EASTERN REGIONS KCSE
JOINT NATIONAL MOCK 2024

Kenya Certificate of Secondary Education (KCSE)

INSTRUCTIONS TO CANDIDATES

Answer all the questions in spaces provided.

FOR EXAMINERS USE ONLY

QUESTIONS	1	2	3	4	5	6	7	8	9
MARKS									

10	11	12	13	14	15	16	17	18

19	20	21	22	23	24	25

TOTAL MARKS

--

MINISTRY OF EDUCATION (KNEC COMPLIANT)

1. State four factors that you would consider before extending credit facilities to a customer. (4 Marks)

- (i)
- (ii)
- (iii).....
- (iv).....

2. Give four characteristics of human wants. (4 Marks)

- (i)
- (ii).....
- (iii).....
- (iv).....

3. The following information relates to businesses W, X, Y and Z. (4 Marks)

BUSINESS	ASSETS	LIABILITIES	CAPITAL
W	350,000b		150,000
X	a	160,000	240,000
Y	800,000	450,000	d
Z	700,000	c	280,000

Determine the figures represented by a, b, c and d. (4 Marks)

- (i)
- (ii)
- (iii).....
- (iv).....

4. State any four principles that govern the operations of co-operative societies in Kenya. (4 Marks)

- (i).....
- (ii).....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

(iii).....

(iv).....

5. Highlight four limitations posed by the use of national income statistics as a way of comparing the living standards of people for different countries. (4 Marks)

(i).....

(ii).....

(iii).....

(iv).....

6. State four merits associated with internal borrowing. (4 Marks)

(i).....

(ii).....

(iii).....

(iv).....

7. What four measures would you advise the government of Kenya to apply so as to curb the inflationary tendencies the country is currently experiencing? (4 Marks)

(i).....

(ii).....

(iii).....

(iv).....

8. State four factors that may influence the price elasticity of demand of a commodity. (4 Marks)

(i).....

(ii).....

(iii).....

(iv).....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

9. State four possible factors that may contribute to a case of an abnormal demand curve. (4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

10. The data below relates to Kimeu’s business as at 31st Dec 2010. (4 Mark)

	Shs
Capital as at 1 st Jan 2010	100,000
Additional investment in the year	40,000
Profit realized in the year	25,000
Drawings made in the year	45,000

Determine Kimeu’s capital as at 31st Dec 2010

11. State four features of labour as a factor of production (4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

12. The table below shows descriptions relating to some documents used in home trade.

Name the document fitting the description. (4 Marks)

DESCRIPTION	DOCUMENT
(i) Used to correct an undercharge error	
(ii) Seeking information on items stocked and their prices	
(iii) Inform the buyer that the goods ordered have been dispatched	
(iv) Requests payment for goods before they are sent to the customer	

13. Outline four reasons why governments participate in business. (4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

14. State four features of an oligopolistic type of Market. (4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

15. The following information relates to Blue star traders in the year 2009.

Jan 1 started business by depositing Shs. 150, 000 in the business' bank account

Jan 2 bought stock worth shs. 10,000 by cash.

Enter these transactions in the relevant ledger accounts.

16. State four possible errors that may not be detected by a trial balance.

.....
.....
.....
.....

17. Under what four circumstances would a producer opt to sell his goods directly to his customers? (4 Marks)

(i).....
(ii).....
(iii).....
(iv).....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

18. The balances below were extracted from the books of Kazu traders as at 30th June 2010.

ITEM	KSHS
Furniture	20,000
Debtors	30,000
Creditors	42,000
Cash in hand	25,000
Cash at bank	60,000
Delivery van	280,000
Capital	348,000
Bank van	120,000
Net loss	45,000

Prepare Kazu's balance sheet as at 30th June 2010.

MINISTRY OF EDUCATION (KNEC COMPLIANT)

19. State four gaps in the market that may provide an opportunity to an entrepreneur.

(4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

20. State four reasons why an insured may not be compensated despite an insured risk occurring.

(4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

21. Under what four circumstances would an office manager think of replacing an existing machine with a modern one?

(4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

22. State four ways through which a consumer may be exploited.

(4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

23. Give four differences between an ordinary share and a preference share.

ORDINARY SHARE	PREFERENCE SHARE
(i)	(i)
(ii).....	(ii).....
(iii).....	(iii).....
(iv).....	(iv).....

24. Kim insured his motor vehicle value at shs.1,000,000 for shs. 800,000. The motor vehicle was involved in an accident and declared a write off. Calculate the amount Kim should get from the insurer. (4 Marks)

25. State four ways through which the price of a commodity may be determined. (4 Marks)

- (i).....
- (ii).....
- (iii).....
- (iv).....

MINISTRY OF EDUCATION (KNEC COMPLIANT)

Name:.....AdmNo:.....Stream:.....

Candidate's Signature:.....

Date:.....

Index no:.....

565/2

BUSINESS STUDIES

PAPER 2

CLASS OF KCSE 2024

Time: 2 Hours

THE COASTAL & EASTERN REGIONS KCSE
JOINT NATIONAL MOCK 2024

Kenya Certificate of Secondary Education (KCSE)

Instructions to candidates.

- Write your name and admission number in the spaces provided.
- Answer all questions in the spaces provided.
- Answer **any five** questions
- Answers must be written in English.
- Avoid one word answers

MINISTRY OF EDUCATION (KNEC COMPLIANT)

1. a) Explain five features that differentiate a public company from a public corporation. (10marks)
b) Jambo Tena enterprises had the following balances in the cash book on 1st November, 2018. Cash at hand shs. 10,000 and bank shs. 150,000
 - e. Bought buildings paying by cheque shs. 50,000
 - f. Drew shs. 4,000 from Bank for office use.
 - g. Took cash shs. 1,000 for his personal use
 - h. Credit sales to Jema traders shs. 5,000
 - i. Took all the cash to the bank leaving a balance of only shs. 100**Required:** prepare duly balanced a two column cash book.

2. a) Explain **five** emerging issues in office management. (10marks)
b) Explain five circumstances under which a partnership may be dissolved (10mks)

3. a) Explain five circumstances under which a manufacturer would prefer to sell his products direct to consumers instead of selling through middlemen. (10 marks)
b) Explain five factors to consider when choosing a method of promoting products. (10 marks)

4. (a) In most secondary schools in Kenya, members of staff are accommodated in one large room. Explain **five** disadvantages associated with this kind of arrangement. (10mks)
(b) Explain Five benefits of warehousing to consumers (10 marks)

5. a) Explain five uses of National Income Statistics (10mks)
b) i) Explain four insurance policies that the owner of a supermarket may find useful for the business. 8mks

ii) A farmer's house valued at Ksh. 1,200,000 was insured against fire for ksh. 900,000. Fire occurred and damaged the house causing a loss of ksh. 500,000. Determine the value of compensation due to the farmer. (2mks)

6. a) The accounts of Maneno Traders showed the following balances as at 31st December 20-2. Required: Balance off the accounts and extract a trial balance (10 Mks).

MINISTRY OF EDUCATION (KNEC COMPLIANT)

Land and Buildings Account

Dr

Cr

Date	Particulars	Folio	Amount Shs.	Date	Particulars	Folio	Amount Shs.
2018 Jan 1	Bal	b/d	150,000	2018			

Motor Cars Account

Dr

Cr

Date	Particulars	Folio	Amount Shs.	Date	Particulars	Folio	Amount Shs.
2018 Jan 1	Bal	b/d	142,000	2018 Jan 6			

Cash Account

Dr

Cr

Date	Particulars	Folio	Amount Shs.	Date	Particulars	Folio	Amount Shs.
2018 Jan 1	Bal	b/d	30,000	2018 Jan 1	Purchases		10,000
Jan 3	Sales		5,000	Jan 2	Creditors		2,500
Jan 6	Debtors		3,000				

MINISTRY OF EDUCATION (KNEC COMPLIANT)

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Dr **Creditors Account**
Cr

Date	Particulars	Folio	Amount Shs.	Date	Particulars	Folio	Amount Shs.
2018 Jan 2	Cash		2,500	2018 Jan 1	Bal	b/d	4,000

Dr **Capital Account**
Cr

Date	Particulars	Folio	Amount Shs.	Date	Particulars	Folio	Amount Shs.
2018				2018 Jan 1	Bal	b/d	311,000

Sales Account
Dr

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Date	Particulars	Folio	Amount Shs.	Date	Particulars	Folio	Amount Shs.
2018				2018 Jan 3	cash		5000

- d) Highlight **five** factors that may lead to rapid increase in population.
(10mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

NAME.....INDEX NO.....

SCHOOL.....

DATE.....

CLASS/STREAM

SIGN.....

565/1

BUSINESS STUDIES

PAPER 1

CLASS OF KCSE 2024

TIME: 2 HOURS

THE RIFT VALLEY & NORTH EASTERN REGIONS

KCSE JOINT NATIONL MOCK 2024

Kenya Certificate of Secondary Education (KCSE)

INSTRUCTIONS TO CANDIDATES

- 1. Write your name and index number in the spaces provided*
- 2. Sign and write the date of the examination in the space s provided above*
- 3. Answer all questions*
- 4. All answers must be written in the space provided in this booklet*
- 5. Do not remove any pages from this booklet*

For Examiner's Use Only

Question	1	2	3	4	5	6	7	8	9	10	11	12	13
Marks													

Question	14	15	16	17	18	19	20	21	22	23	24	25
Marks												

MINISTRY OF EDUCATION (KNEC COMPLIANT)

1. Give four features of basic human wants. (4mks)

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2. Define the following terms appropriately. (4mks)

a) Mortality rate

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b) Fertility rate

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c) Life expectancy

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d) Infant mortality rate

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3. Distinguish between the following (5mks)

Debentures	Preference shares
a.	
b.	
c.	
d.	
e.	

MINISTRY OF EDUCATION (KNEC COMPLIANT)

4. State the type of document described below. (4mks)

a. Show from which country the goods are coming from.

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b. Written by an exporter authorizing his bank to sell goods on his behalf

.....

c. Allow importer to get goods on credit and cannot be changed by the importer without exporters permission.

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d. Help in quicker clearance and it is issued by country's official abroad.

.....

5. Indicate whether the following items are falling in real, nominal or private accounts. (3mks)

Account

(a) Sales

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(b) Carriage inwards

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(c) Fixture and fittings

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(d) Stock

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(e) Cash

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(f) Capital

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6. Outline four characteristics of multiple shops (4mks)

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MINISTRY OF EDUCATION (KNEC COMPLIANT)

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7. Highlight four ways in which the central bank acts as a banker to the government. (4mks)

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8. State four negative effects of high taxation in Kenya. (4mks)

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9. Write whether the following transactions will have an increase, decrease or no effect on the balance sheet totals. (4mks)

<u>Transaction</u>	<u>Effect</u>
a. Withdrew stock for personal use	
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b. Paid a creditor by cheque	
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c. A debtor paid by cash	
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d. Received a loan by cheque	
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10. Give Meshack four reasons why he should not introduce division of labour in his factory. (4mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

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11. Highlight four roles played by personal secretary (4mks)

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12. In a well labelled illustration, show a shift in the supply curve. (5mks)

13. Given the following information of Elisha Traders (4mks)

Land and Building.	490,000
Machinery	300,000
5 year loan	110,000
2 year loan	80,000
Creditors	90,000
Debtors	100,500
Stock	75,600
Cash	40,000
Bank overdraft	69,900

MINISTRY OF EDUCATION (KNEC COMPLIANT)

Calculate,

a) Working capital (1mk)

b) Current ratio (1mk)

c) Capital owned (1mk)

d) Borrowed capital (1mk)

14. Outline four trends in forms of business units. (4mks)

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15. State four reasons that can lead to the termination of an insurance policy. (4mks)

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MINISTRY OF EDUCATION (KNEC COMPLIANT)

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16. State four essential elements in communication. (2mks)

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17. Record the following transaction in the General journal.

June 1st bought furniture on credit from Wahu traders 25,000/=

June 2nd exchange a motor van book value 240,000 for a machine valued at 280,000/=

June 3rd sold furniture valued at 15,000 on credit to Erick for 13,400/=

June 4th bought a van from c.m.c worth 390,000 paing 300,000 cash the rest to be paid later. (4mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

18. State four disadvantages of delocalization of firms. (4mks)

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19. State four assumptions of circular flow of income in a two sector economy (4mks)

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20. Highlight four roles of advertising agencies in product promotion (4mks)

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21. Outline four benefits of commercial production (4mks)

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22. Outline four reasons for one to hire human portorage instead of a pick-up to transport goods. (4mks)

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MINISTRY OF EDUCATION (KNEC COMPLIANT)

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23. Highlight four features of perfect competitive market. (4mks)

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24. Name four documents that originate from the seller in the home trade. (4mks)

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25. State four limitations of trial balance. (4mks)

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MINISTRY OF EDUCATION (KNEC COMPLIANT)

Name..... Adm.....

Signature.....

565/2

BUSINESS STUDIES

Paper 2

CLASS OF KCSE 2024

TIME: 2 ½ HOURS

THE RIFT VALLEY & NORTH EASTERN REGIONS

KCSE JOINT NATIONAL MOCKS 2024

Kenya Certificate of Secondary Education (KCSE)

INSTRUCTIONS TO STUDENTS:

- *This paper consists of six questions*
- *Answer any five questions.*
- *Write your answers in the answer booklet provided*
- *All questions carry equal marks*

This paper consists of 3 printed pages. The candidate must check to ensure no page is missing.

MINISTRY OF EDUCATION (KNEC COMPLIANT)

- 1(a) Every institution has office staff which should have certain prescribed code of behaviour. Explain five office etiquette of an office staff. (10mks)
- (b) Explain five methods that government uses to protect consumers. (10mks)
- 2.(a) Explain five insurance policies that the proprietor of Umoja Supermarket may take to his business. (10mks)
- (b) Explain five negative effects of inflation. (10mks)
- 3.(a) Describe five channels used to distribute manufactured goods in Kenya.
- (b) Highlight five differences between a co-operative and a public limited company. (10mks)
- 4.(a) Explain five consideration that the county government should look into before incurring any expenditure. (10mks)
- (b) The following transactions were extracted from the books of NKUNDI enterprise for the month of August.
- (i) August 1st cash in hand Ksh.13,000 and at bank Ksh.28,000.
 - (ii) August 3rd cash sales amounting to Ksh. 15,000.
 - (iii) August 5th received Ksh. 7,800 from Mwenda after deduction of 2 ½ % cash discount.
 - (iv) August 7th paid Kananu Ksh.17,000 by cheque in full settlement of her account of Ksh.17,500.
 - (v) August 9th received Ksh.19,000 from Kawira after allowing 5 % cash discount.
 - (vi) August 10th Deposited Ksh.15,000 into the bank from the cash till.
 - (vii) August 11th took Ksh.9,500 cash for personal use.
 - (viii) August 15th paid Barazaksh. 8,800 after deducting 12% cash discount by cheque.
 - (ix) August 20th Banked some cash leaving Ksh.12,300 in the cash till.
- Required: Prepare a three column cash book for Njundi Enterprise duly balanced. (10mks)
- 5.(a) Kwanza limited operates as monopolist. Explain five possible factors that made this firm acquire monopoly power. (10mks)

MINISTRY OF EDUCATION (KNEC COMPLIANT)

(b) A flower farmer in Njoro has secured market for her flowers in a foreign market.

Explain five reasons why the farmer should use air to transport his flowers.

6.(a) Explain four factors that lead to business success. (8mks)

(b) The following trial balance was extracted from the books of Hekima Traders as at 30th June 2010.

Details	Dr.(sh)	Cr(sh)
Premises	1,500,000	
Debtors & creditors	20,000	30,000
Cash (bank)	90,000	
Cash (hand)	10,000	
Purchases and sales	140,000	320,000
Stock 1 st June 2010	45,000	
Salaries and wages	50,000	
Discounts	6,000	
Commissions		2,000
Power & lighting	12,000	8,000
Returns	15,000	19,000
Carriage inwards	5,400	
Carriage outwards	2,300	
Capital		1,543,700
Furniture	27,000	
	1,922,700	1,922,700

Stock on 30th June 2010 was worth shs. 22,000

Required:

Prepare a trading, profit and loss account for the year ending 30th June 2010.(12mks)