

KAPSABET HIGH SCHOOL

565/2 -

BUSINESS
STUDIES
2hrs

- Paper 2



Name Index Number

Class Candidates Signature.....Date

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2022 TRIAL 2 JULY INTERNAL EXAMINATION

Kenya Certificate of Secondary Education (K.C.S.E)

INSTRUCTIONS TO THE CANDIDATES:-

- a) This paper consists of six questions. b) Answer any FIVE Questions.
- c) Write your answers in the answer booklet provided.
- d) ALL Questions carry equal marks.

For examiner's use only

Question	1	2	3	4	5	6
Total Marks						

This paper consists of 3 printed pages.

1. a) Over the years Homalime enterprises has grown into a viable business enterprise. Explain five ways in which internal environment may have contributed to the success of this enterprise. (10mks)
 - (b) One of the trends in transport includes the use of containers. Outline five factors that may limit the use of containers as a method of transporting goods in a developing country. (10mks)
- 2 (a) Population census carried out in one of the states showed a high percentage of ageing population. Highlight five implications of this ageing population to the economy. (10mks)
 - (b) Manufacturer decided to sell his goods through personal selling. Outline five circumstances under which personal selling would be the most appropriate to use. (10mks)
3. (a) Describe five accounting documents that are used in home trade. (10mks)
 - (b) Nyamindi Traders had the following assets and liabilities on 30th June 2016.

shs

Creditors	60,000
Equipment	110,000
Furniture & fittings	25,500
Stock	80,000
Debtors	90,000
Cash at bank	10,000
Cash in hand	19,500
3yrs bank loan	1,000

During the first week of June ,2016,the following transaction took place

JUNE : 1 Bought furniture from Chepsire on credit for sh 38,000

“ 2 Purchased a computer by cheque for sh 44,000

“ 3 Paid creditors by cheque for sh 40,000

“ 4. Received sh 64,000 by cheque and sh 6,000 by cash.

Required:

Draw up Nyamindi's balance sheet as at 30th June 2016.after the above transaction have been completed. (10mks)

- 4 (a) Highlight five factors that may hinder economic development in Kenya being one of the developing countries. (10mks)
 - (b) Outline five features of a monopolistic competition as a form of product market. (10mks)

5 (a) Explain **five** importance of entrepreneurship in Kenya.
(10mks)

(b). On 1st march 2014 Biden had shs 40,000 in hand and bank overdraft of sh.10,000

March 2nd: Bought goods shs 4000 to be paid end of next month

March 3rd: Cash sales banked shs 360

March 6th: Paid Mitei, a creditor sh 29100 by cheque in full settlement of his accounts after deducting 3% cash discount

March 16th: Received a cheque for shs 72000 from PETER after allowing him a cash discount of 10%

March 20th: Withdrew shs 60000 from bank for office use

March 28th: Settled Njoroge's account of shs.50,000 by cheque less 5% cash discount

March 31st: Banked all cash except sh 19,400

Required:

Prepare duly balanced three column cash book for the month of March 2016.

(10mks)

6. (a) Highlight five differences between a public limited company and a public corporation (10mks)

(b) Explain various methods used by the Kenyan government to improve its exports. (10mks)