

FORM FOUR CLUSTER KCSE MODEL9

BUSINESS STUDIES PAPER2QUESTIONS

Answer ANY FIVE questions.

- Explain five roles of Stock exchange in the Kenyan economy.
 - Explain five reasons why a high per capita income is not an indicator of better living standards in a country.
- Discuss five roles that intermediaries play in distribution of goods.
 - Office staff is expected to have appropriate office etiquette. Describe five of them expected from a good office worker.
- The following balances were extracted from the books of Wekhomba Traders for the year ended 31st December 2008.

	Dr(shs)	Cr(shs)
Gross profit		38,100
Stock (31 st Dec 2008)	80,200	
Cash	105,060	
Motor van	603,000	
Capital		653,560
Furniture	94,400	
Creditors		74,300
Equipment	200,600	
Debtors	75,900	
Discount received		26,400
Salaries	12,400	
Carriage outwards	14,400	
Rent income		12,600
Airtime	22,200	
Bad debts	9,400	
Bank overdraft		412,600
	<u>1,217,560</u>	<u>1,217,560</u>

REQUIRED:

Prepare

i. A profit and loss account for Wekhomba Traders for the year ended 31st Dec. 2008.(5 marks) ii. A Balance Sheet as at 31st Dec 2008.

(b) Explain FIVE factors that have contributed to decline in population growth rate in Kenya.

- Akasembo Traders in Webuye Town wants to open a current account with the Kenya Commercial Bank, Webuye Branch. Explain five benefits he would enjoy from this decision.
 - Outline five functions of a commercial attaché in a foreign country.
- Describe four monetary tools that the government of Kenya can employ to arrest the run-away inflation.
 - The following transactions took place in the business of Mabiekomba Traders in Lugulu in 2014.
Jan 1st started business with capital shs 150,000 cash.

Jan 2nd opened a bank account and deposited shs 30,000 cash.

Jan 3rd: Bought buildings in cash shs 60,000.

Jan 4th: Got a loan in cash 20,000 from Posta Bank Webuye. .

Jan 5th: Bought stationary shs. 6000 by cheque.

Jan 6th: Repaid part of loan by cheque shs. 10,000.

REQUIRED

- i. Record the above transactions in their various ledger accounts and balance them off.
 - ii. Extract a trial balance.
6. (a) Discuss five advantages of containerization in the transport sector in Kenya.
- (b) Explain five features of land as a factor of production.