

KAPSABET HIGH SCHOOL



565/2



BUSINESS STUDIES

Form 4

Time: 2 ½ Hours

2021 TRIAL 3 OCT/NOVEMBER INTERNAL EXAMINATION

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

Name.....

Adm No.....

Stream.....

Date

Sign

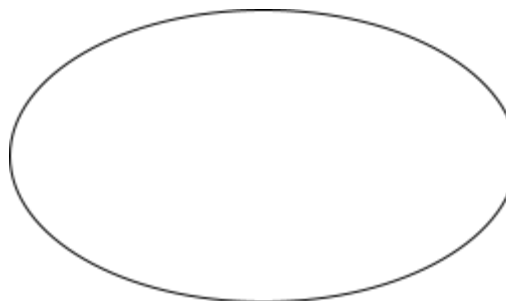
GRAND TOTAL

565/2

BUSINESS STUDIES

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INSTRUCTIONS TO CANDIDATES

Answer any five questions in the spaces provided.

For Examiner’s Use Only

Question No	1a	1b	2a	2b	3a	3b	4a	4b	5a	5b	6a	6b
Marks												

1. (a) Explain five benefits that could accrue to a customer who buys goods from a departmental store. (10mks)

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- (b) Explain five roles played by licensing as a government regulatory tool. (10mks)

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2. (a) Explain five services that the central bank of Kenya offers to commercial banks. (10mks)

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(b) The following information relates to the business of Kipsisigs Traders for the week ended 29th Feb 2016.

Feb 24th	Started business with shs 24,000 in the bank.
Feb 25 th	Bought goods worth shs 18,000 by cheque.
Feb 26 th	Sold goods for cash shs 18,900
Feb 28 th	Cash sales worth Kshs 5,625
Feb 29 th	Paid commission Kshs 900 in cash.

Required
Prepared ledger accounts and balance them off. (10mks)

3. (a) Describe five channels followed in exporting agricultural product. (10mks)

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- (b) The following trial balance was extracted from Milka traders on 31st Dec 2020.

	Dr	Cr
	Sh	Sh
Capital		250,000
Stock	25000	

Machinery	250,000	
Motor vehicle	87000	
Purchase	360,000	
Sales		600,000
Returns inwards	40,000	
Returns outwards		20,000
Discount received		5,000
Carriage inwards	2000	
Carriage outwards	3000	
Bad debts (written off)	80,000	
General expenses	88,000	
Debtors	18,000	
Creditors		49,000
Rent	1000	
	<u>954.000</u>	<u>954.000</u>

Additional information; Closing stock
was sh. 22000

Prepare Milka traders Trading, profit and loss account for the year ending 31/12/2020.
(10mks)

4. (a) Explain five reasons why a country imposes taxes on her citizens. (10mks)

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- (b) Outline five differences between a public limited company and a cooperative society.

(10mks)

Public	Co-operative society

5. (a) Using a diagram illustrate the effects of a positive shift of a demand curve on the equilibrium point, price and quantity (10mks)

- (b) Explain five features of land as a factor of production. (10mks)

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6. (a) Mmanyi Enterprises have decided to construct their own warehouse. Explain five benefits they are likely to derive. (10mks)

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- (b) Explain five importance of filing documents in an organization (10mks)

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