

GEM SUB-COUNTY FORM 4 JOINT EVALUATION**565/2****BUSINESS STUDIES****PAPER 2**

1. a) Explain FIVE ways in which the efficiency of a warehouse can be enhanced. (10 marks)
 b) The following table represents the supply of sweet potatoes for three (3) months.

Year (2016)	Price per kg (shs)	Quantity supplied (kg)
January	100	100,000
February	100	90,000
March	100	80,000

Explain FIVE reasons to account for the change in quantity supplied of sweet potatoes in the market. (10 marks)

2. a) Many schools in Kenya have purchased school buses through Hire Purchase Finance. Explain any FIVE reasons why many companies are offering hire purchase schemes to their customers. (10 marks)
 b) Explain FIVE current trends in Kenya's banking sector. (10 marks)
3. a) Outline FIVE differences between a private company and a public corporation. (10 marks)
 b) The following transactions relate to Mamboleo Retailers for the month of September 2014
 Sept 3 Sold goods on credit to Bukachi sh.14000 and Janet sh.18000
 Sept 9 Bought goods on credit from Shaban Traders sh.45000
 Sept 14 Bukachi returned goods worth sh.2500
 Sept 18 Purchased goods on credit from Nambaka sh.36000 and Janet sh.1200
 Sept 22 Goods worth sh.7000 were returned to Shaban Traders and goods worth sh.4000 to Nambaka
 Sept 24 Sold goods on credit to Bukachi sh.9000
 Sept 26 Goods returned by Nehemiah sh.3000
 Sept 30 Bought a generator worth sh.450,000 on credit from Dynamite power company
Required :
 Prepare the relevant journals. (10 marks)
4. a) Explain FIVE measures the Kenyan government may take to curb unemployment. (10 marks)
 b) Discuss FIVE reasons why per capita income may not be a perfect measure of standards of living between different countries. (10 marks)
5. a) Kenya, Uganda, Tanzania, Burundi and Rwanda are members of the East African cooperation. Explain FIVE benefits that these countries will enjoy from such an economic integration. (10 marks)
 b) Explain FIVE characteristics of economic resources. (10 marks)
6. a) Outline FOUR roles played by advertising agencies in Kenya. (4 marks)
 b) The following information relates to Baraka traders.

Baraka Traders
Trial Balance as at 31/12/2012

Details	Dr (shs)	Cr (shs)
Capital		100,000
Motor vehicle	100,000	
Machinery	16,000	
Stock (1/1/2012)	12,000	
Debtors	33,500	
Cash	18,000	
Bank	12,800	
Creditors		45,000
Sales		200,000
Purchases	120,000	
Carriage inwards	2,000	
Returns	1,200	1,000
Carriage on sales	4,000	
Discounts	3,000	4,000
Salaries	2,000	1,000
Rent		500
Insurance	10,000	
Telephone	9,000	
Electricity	8,000	
	351,500	351,500

Closing stock was valued at sh.8000

Required :

- i) The trading profit and loss account. (8 marks)
 ii) The balance sheet (4 marks)