BUNAMFAN CLUSTER EXAMINATION - 2022

Kenya Certificate of Secondary Education

565/2 – BUSINESS STUDIES – Paper 2 June 2022 - 2½ hours

Name	Adm	No
Class	Date	

INSTRUCTIONS TO CANDIDATES

- ❖ Write your name, class and Index number in the spaces provided above.
- Sign and write the date of examination in the space provided above.
- ❖ This paper consists of six questions.
- ❖ Answer **ANY five questions** from this paper € 5
- Candidates should check the question paper to ascertain that all pages are printed as indicated and that no question is missing.

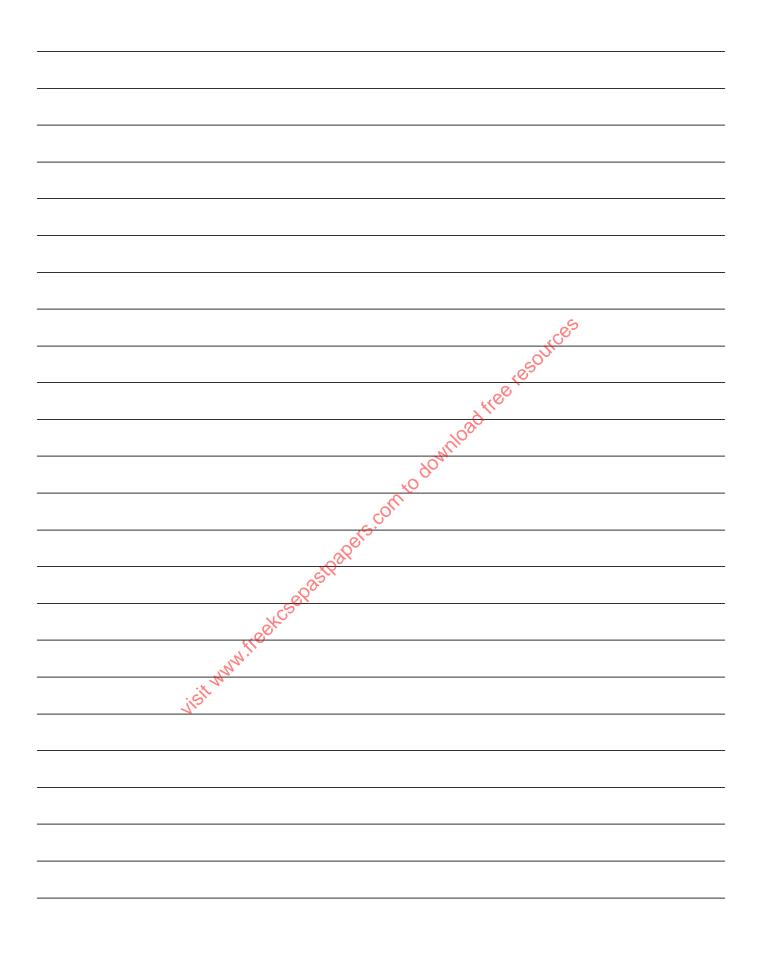
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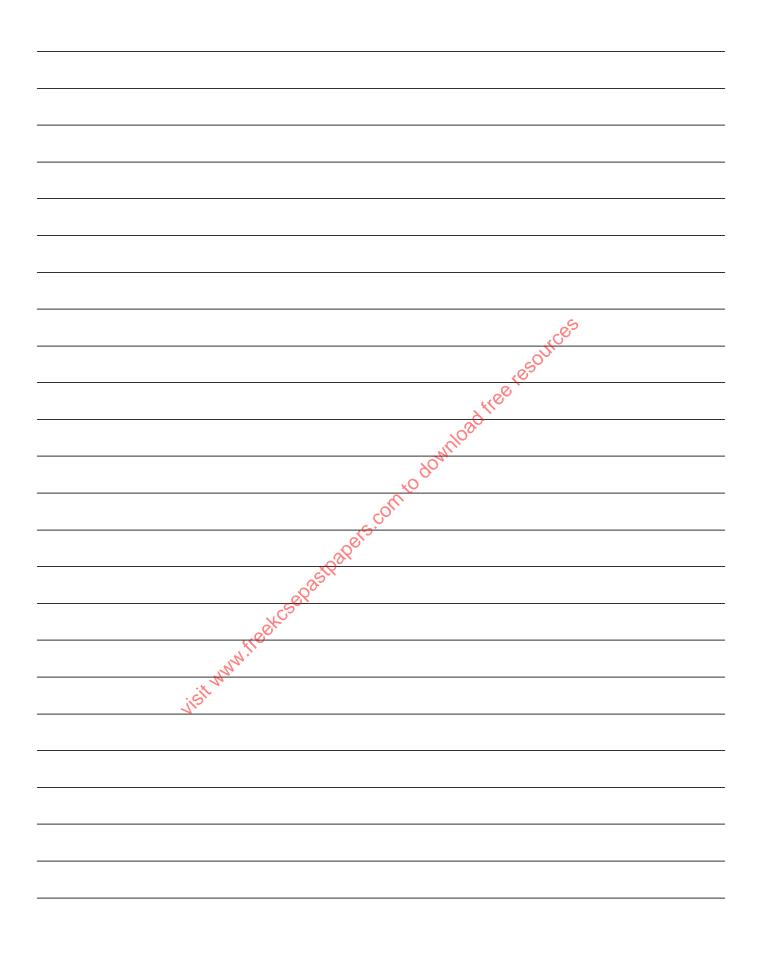
Question	Maximum score	Candidate's score
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2	20	
3	20	
4	20	
5	20	
6	20	
Total score		

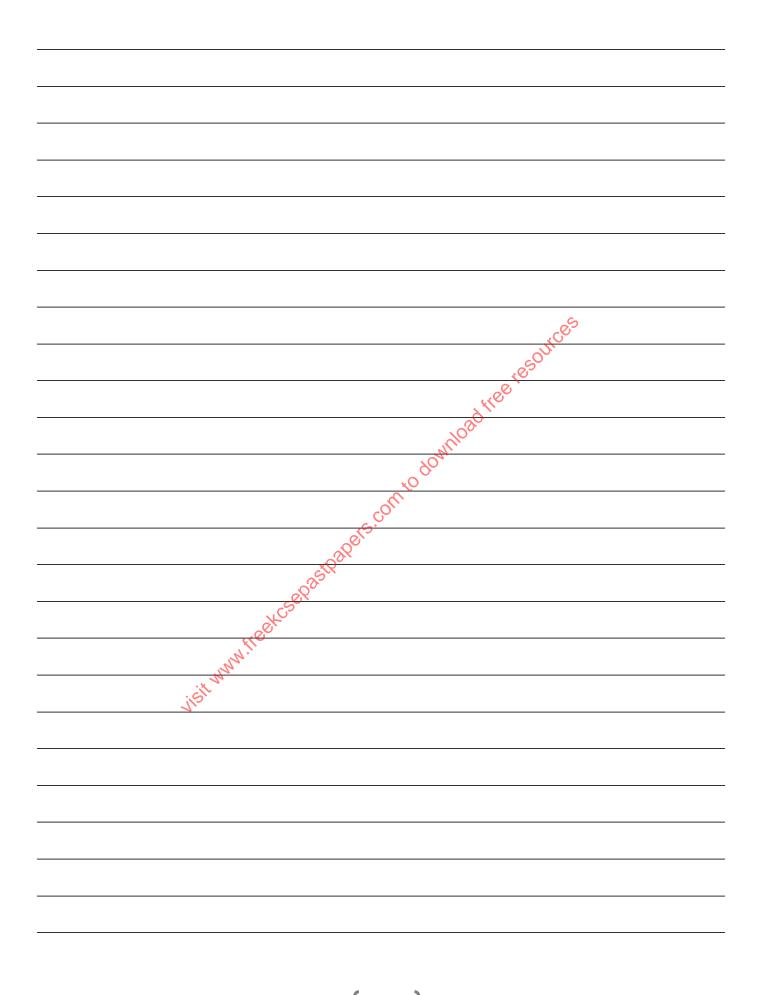
a) Explain five ways in which the internal environment may contribute to the suc business enterprise.	cess of a (10 marks)
b) Highlight five channels of distribution that a Kenyan manufacturer would use to goods reach consumers in another country.	o ensure their (10 marks)
a) Some developed countries have a huge population made of ageing persons. Ex five problems this situation could present to such countries.	plain (10 marks)
b) The following information was obtained from the Books of Muthaura traders,	
Sales Kshs. 270,000 Margin 40% Turnover 6 times Expenses Kshs, 40,000 From the above information,	
Calculate:- a) Gross profit b) Cost of goods sold c) Average stock d) Net profit	(3 marks) (2 marks) (3 marks) (2 marks)
a) Describe five accounting documents used in home trade.	(10 marks)
b) Explain five demerits a country may suffer when the Government becomes a n investor in business	najor (10 marks)
a) Explain five challenges that may be experienced by a new entrepreneur intendent start a business in Kenya.	ing to (10 marks)
b) Explain five re asons why per capita income is not an indicator of a better livin standard in a country.	g (10 marks)
a) Outline five merits of Indirect taxes	(10marks)
b) Explain five problems that the insurance industry is facing in Kenya today.	(10 marks)
	business enterprise. Highlight five channels of distribution that a Kenyan manufacturer would use to goods reach consumers in another country. a) Some developed countries have a huge population made of ageing persons. Ex five problems this situation could present to such countries. b) The following information was obtained from the Books of Muthaura traders, Sales Kshs. 270,000 Margin 40% Turnover 6 times Expenses Kshs, 40,000 From the above information, Calculate:- a) Gross profit b) Cost of goods sold c) Average stock d) Net profit a) Describe five accounting documents used in home trade. b) Explain five demerits a country may suffer when the Government becomes a reinvestor in business a) Explain five challenges that may be experienced by a new entrepreneur intendistart a business in Kenya. b) Explain five reasons why per capita income is not an indicator of a better livin standard in a country. a) Outline five merits of Indirect taxes

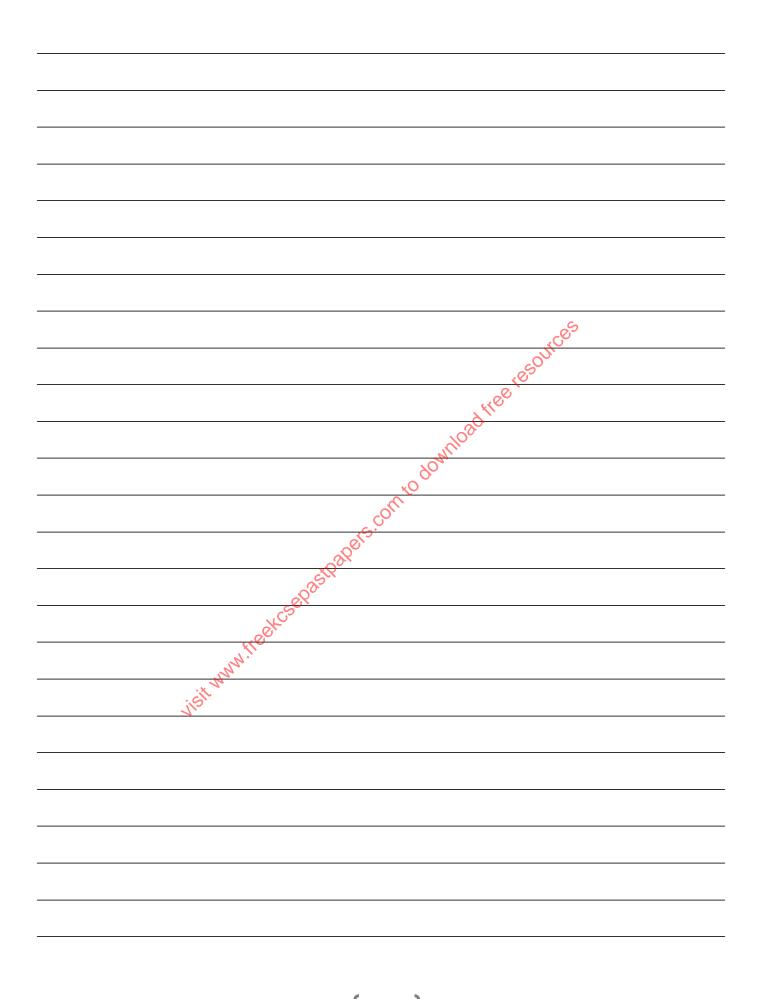
I	Explain five factors that may have caused this trend	(10 marks)
b)	On 1st January 2021, Tom Owino Traders had Kshs. 6520 cash and Ksh the Bank. During the month, the following transactions took place;	ns. 9847 at
	January	
	2 Paid transport by cheque shs. 2,000	
	Issued a Cheque to AFC settling an invoice for shs. 10,000 deducash cash discount Sold goods for cash shs. 4,000 less 2% cash discount Banked shs. 1,000 Received a Cheque from Kamau shs. 2,500 less 2% cash discount Paid Water bill in cash shs. 590 Withdrew cash from Bank for Office use shs. 800 Received a Cheque of shs. 5,000 from a debtor dess 5% cash discount of Received cash of shs. 900 from John and gave a cash discount of Banked all the cash except shs. 100	unt scount of 2%.
Requ	uired: Prepare a duly balanced three column Cash Book	(10 marks)
	apelis*	
	ast PC To the second of the se	
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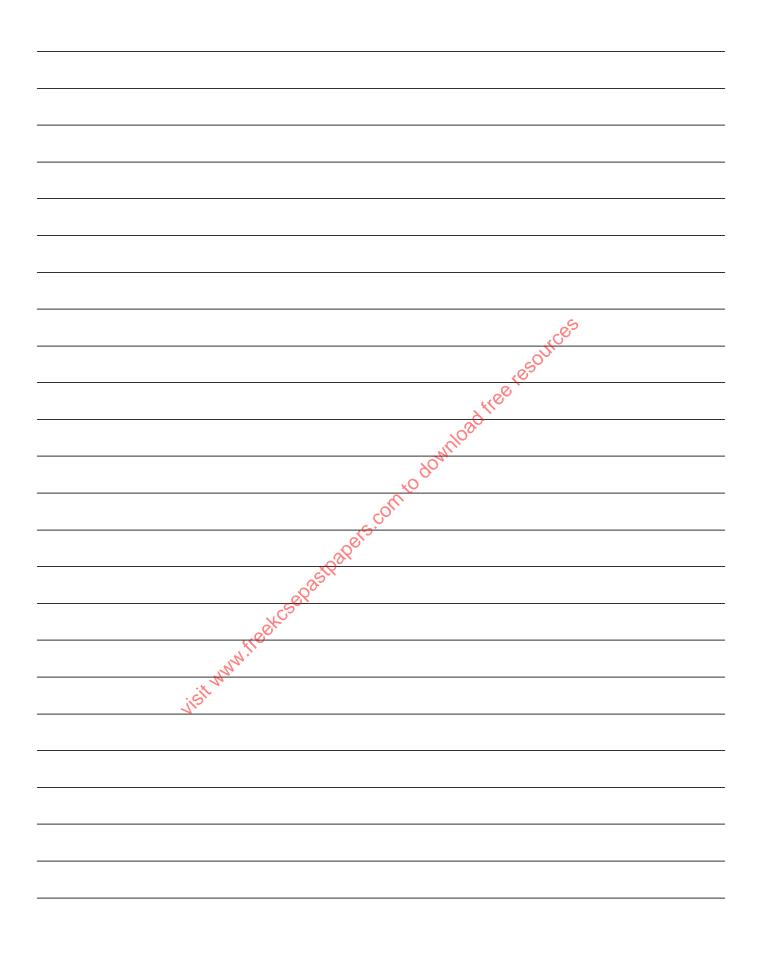
6. a) There has been a decline in the demand for bananas in a certain market.

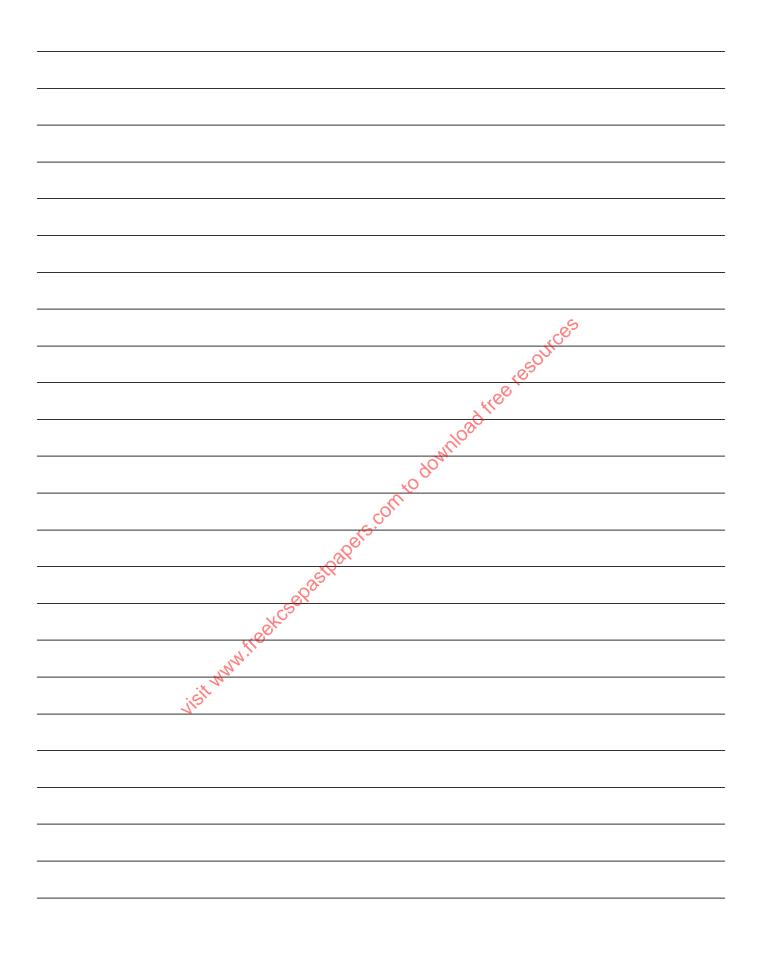


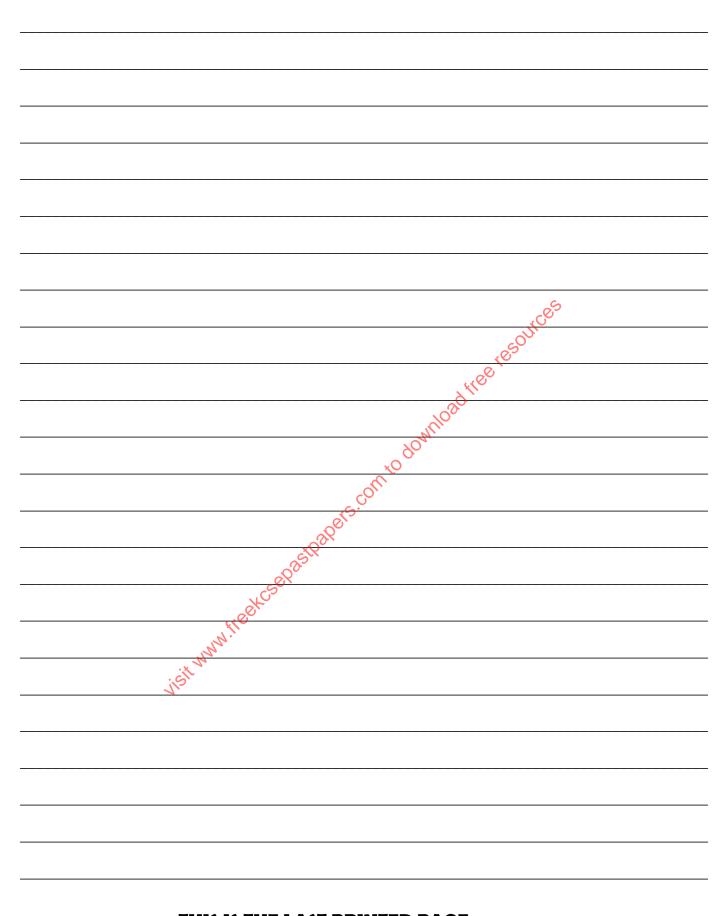












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