**MUMIAS WEST SUB – COUNTY 2022 JOINT EXAMINATION**

**(Kenya Certificate of Secondary Education)**

**565/2 - BUSINESS STUDIES - Paper 2**

**June/July, 2022. – 2½ hours**

**Name**…………………………………… …………………….… Index No:………………………….

Candidate’s Signature …………..…………

School: ……………………………………………..……….. Date: …………………………

**Instructions to Candidates**

1. Write your **name** and **index number** on the spaces provided.
2. Sign and write the date of the examination in the spaces provided above.
3. This paper consists of **FIVE** questions.
4. Answer ***any five*** *questions*.
5. **All questions carry equal marks.**
6. **Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.**
7. **Candidates should answer the questions in English.**

**For Examiner’s Use Only**

|  |  |  |
| --- | --- | --- |
| **Question** | **Maximum**  **Score** | **Candidate’s**  **Score** |
| 1 | **20** |  |
| 2 | **20** |  |
| 3 | **20** |  |
| 4 | **20** |  |
| 5 | **20** |  |
| 6 | **20** |  |
| **Total Score** | |  |

1. a). Explain **FIVE** benefits that may occur to a community that is involved in trading activities. (10 marks)

b). Explain **FIVE** factors to consider when establishing a warehouse for imported goods.

(10 marks)

1. a). Explain **FIVE** ways of making face to face communication effective. (10 marks)

b). Explain **FIVE** documents required to be filled with the registrar of companies to facilitate registration of companies. (10 marks)

1. a). Explain **FIVE** factors that may be considered in locating a firm. (10 marks)

b). Angoa Enterprises had the following balances as at 31st December, 2021. Cash in hand Kshs. 20,000 and a bank overdraft of Kshs. 8,600.

During the month, the following transactions took place:

March 3: Wafula settled his account of Kshs. 16,000 by a Cheque of Kshs. 15,000.

6: Paid rent by Cash Kshs. 8,000.

10: Deposited Kshs. 6,000 into the business bank account from the cash till.

15: Paid Wamalwa account of Kshs. 20,000 by Cheque and he received a discount of 2%. 18: Deposited Kshs. 28,000 in the bank from private sources.

21: Cash Sales Kshs 12,000.

26: Purchased furniture for Kshs. 5,200 by Cheque.

30: Withdrew Cash from the bank for personal use leaving a bank balance of Kshs. 5,600

in the bank account.

***Required:*** Prepare a dully balanced three column cash book. (10 marks)

1. a). Explain **FIVE** measures the government may take to control inflation. (10 marks)

b). Explain **FIVE** demerits that may be associated with water transport. (10 marks)

1. a). Explain **FIVE** reasons why effective filing system is important in an office. (10 marks)

b). Explain the following concept as used in population.

* + 1. Fertility (2 marks)
    2. Infant Mortality rate. (2 marks)
    3. Life expectancy (2 marks)
    4. Optimum population. (2 marks)
    5. Per capita income. (2marks)

1. a). Explain **FIVE** benefits a customer will derive from buying goods from a departmental stores. (10 marks)

b). The following Trial Balance was extracted from the books of Shianda Utensils on June 2010.

Shianda Utensils

Trial Balance

As at 30th June, 2010

|  |  |  |
| --- | --- | --- |
| **Details** | **Dr** | **Cr** |
| Capital  Sales  Purchases  Stock (1/7/2009)  Returns  Discounts  Motor vehicle  Premises  Debtors  Creditors  Rent  Advertising  Carriage outwards  Cash at bank  Wages and Salaries  Cash in hand | 140,000  21,000  7,000  4,800  30,000  300,000  14,500  6,900  11,000  4,500  8,400  5,600  7,400 | 336,000  187,000  10,000  4,100  24,000 |
| **TOTAL** | 561,100 | 561,100 |

Stock on 30th June, 2010 was valued at Kshs. 20,000.

Prepare: a) Profit and loss account for the year ended June 30th 2010. (6 marks)

b) Balance sheet as at 30th June, 2010. (4 marks)