

- 11 Highlight **four** factors that may be considered when choosing the location of a warehouse. (4 marks)

- (a)
- (b)
- (c)
- (d)

- 12 The following trial balance was incorrectly prepared by Salma Traders.

Salma Traders
Trial Balance
As at 31/12/2024

Details	Dr (Ksh)	Cr (Ksh)
Bank		128,700
Creditors	72,450	
Capital	125,650	
Cash	46,200	
Furniture		89,800
Bank loan		56,900
Unpaid rent	9,700	
	<u>254,000</u>	<u>275,400</u>

Required: Prepare the correct Trial Balance as at 31/12/2024.

(4 marks)

Fill in the missing figures in the following table.

(4 marks)

FIXED ASSETS	CURRENT ASSETS	CAPITAL	LIABILITIES
490,300	(a)	825,700	537,500
1,250,000	675,200	(b)	779,800
(c)	920,600	1,460,800	315,300
820,500	636,700	911,900	(d)

State **four** features of indirect production.

(4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

Highlight **four** qualities of money.

(4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

13 Outline **four** measures that the Kenyan government may take to improve its earnings from exports. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

14 Highlight **four** merits of the Short Message Service (SMS) when communicating. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

15 Explain **four** reasons for the continued existence of small firms in the Kenyan economy. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

13 Outline **four** measures that the Kenyan government may take to improve its earnings from exports. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

14 Highlight **four** merits of the Short Message Service (SMS) when communicating. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

15 Explain **four** reasons for the continued existence of small firms in the Kenyan economy. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

23 Outline **four** reasons that may make a manufacturer to sell goods directly to a consumer. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

24 State **four** characteristics of itinerant traders. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

25 Highlight **four** disadvantages of public limited companies. (4 marks)

- (a)
-
- (b)
-
- (c)
-
- (d)
-

22

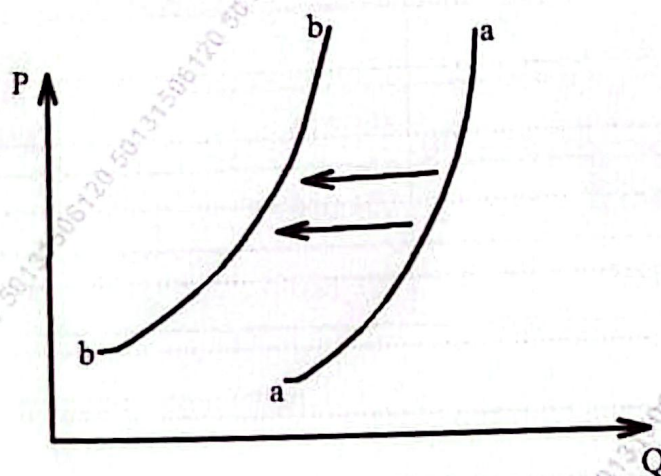
Highlight **four** measures that the government may take to encourage establishment of firms in rural areas. (4 marks)

- (a)
- (b)
- (c)
- (d)

3

3

Highlight **four** factors that may lead to a shift of the supply curve as shown in the following diagram. (4 marks)



(a)

(b)

(c)

(d)

4

Outline **four** ways of controlling cost-push inflation.

(4 marks)

(a)

(b)

(c)

(d)

5

State **four** functions of an office.

(4 marks)

(a)

(b)

(c)

(d)

6

Outline **four** circumstances under which a co-operative society may be dissolved. (4 marks)

(a)

(b)

(c)

(d)

7

Highlight **four** problems that may be encountered when measuring national income using the output approach. (4 marks)

(a)

(b)

(c)

(d)

19 State the effect of the following transactions on the capital of a business. (3 marks)

(a) The owner sold his personal car and invested the money in the business.

.....

(b) The owner took part of the goods from the business for personal use.

.....

(c) Stock purchased at Ksh 10,000 was sold at Ksh 8,000.

.....

20 Outline **four** factors that an entrepreneur should consider when evaluating a business idea. (4 marks)

(a)

.....

(b)

.....

(c)

.....

(d)

.....

21 The following information was extracted from the books of Tanashati Traders on 31st December 2024.

Details	Ksh
Purchases	54,700
Sales	101,600
Returns outwards	4,100
Opening stock	45,900
Closing stock	9,300

Required: Prepare Tanashati Traders' Trading Account for the year ended 31st December 2024. (5 marks)

16 State **four** ways in which the government regulates business activities in Kenya. (4 marks)

(a)

(b)

(c)

(d)

(4 marks)

17 Highlight **four** demerits of personal selling.

(a)

(b)

(c)

(d)

18 Outline **four** circumstances under which a buyer would pay for goods by use of mobile phone payment system. (4 marks)

(a)

(b)

(c)

(d)

Answer all the questions in the spaces provided.

- 1 State **four** internal environmental factors which influence the performance of a business. (4 marks)

(a)

.....

(b)

.....

(c)

.....

(d)

.....

- 2 Outline **four** advantages of using aeroplanes for transport. (4 marks)

(a)

.....

(b)

.....

(c)

.....

(d)

.....