Jkim business paper 2

Kcse joint examination

1.a} Explain five impact of business activities on the environment {10 marks}

 B} Explain five circumstances that can lead to business success

2a} discuss five challenges facing saving and credit cooperative societies in Kenya. {10 marks}

 b}Explain five qualities that a good tax system should have.{10 marks}

3a} Describe the procedure for obtaining an insurance cover.{ 10 marks}

 b}King’ori wants to start a new business. Explain to him five essential things that he must consider before stating his business. {10 marks

4a} Small firms still exist in the economy. Explain five factors for continuing existence of such firms. {10 marks}

b} Enter the following transactions into two column cash book for kimemia traders and balance it off. {10 marks}

1st April 2015 cash balances ksh 15250, bank 2500

4th April 2015 paid musa creditor ksh 1200 cash

8th April 2015 cash purchases of ksh 5000 from kimau traders

9th April 2015 sold goods worth ksh 10000 to maiyo enterprise paid by cash

10th April 2015 paid salaries ksh 6500, rent ksh 2000 by cheque

15th April 2015 withdrew ksh 12000 from bank for office use

17th April 2015 sold goods worth ksh 5000 to mania traders on credit

20th April 2015 received ksh 5000 from mania traders a debtor

24th April 2015 cash sales of goods worth ksh 8000

25th April 2015 withdrew ksh 5000 from bank for personal use

5a} Explain five problems that are likely to face a country where majority of the population are the youth. {10 marks}

b}National income statics has some weakness if used to measure the social welfare of the society. Explain five of those weaknesses. {10 marks}

6a} Describe four measures the government can use to encourage increase in country’s volume of export. {8 marks}

6. b} Batmat enterprise started business on 1st June 2015 consisting of Cash at bank Shs.200, 000, Cash in Hand Shs. 30,000 and Furniture Shs. 20,000.

The following transactions took place during the month of June.

3rd June 2015, bought the following on credit Motor Van worth Shs. 85,000 and stock of Shs. 25,000

6th June 2015, added stock worth shs.10, 000 was bought by cash

9th June 2015, withdrew money from bank sh 50,000 for office use

15th June 2015, sold stock to a customer on credit for Shs. 18,500

19th June 2015, received a cheque for the full settlement of a debt owed from the transaction

Of 15th June 2015

23rd June 2015, paid Shs. 65,000 by cheque for the motor van bought earlier on credit

31st June 2015, paid Shs. 20,000 cash for the stock bought on credit

Required:

Prepare the balance sheet of Batmat traders as at 30th June 2015. (12marks)