

2017 KCSE JKIM joint examination paper

Business paper 2 Question paper

Answer ANY 5 questions in this section in the space provided

1a) explain five factors to be considered when choosing the best location of a ware house. (10marks)

b) Discuss five principles under which public cooperatives societies should be manage (10marks)

2a) state and explain five features of departmental store. (10mark)

b) Discuss the impacts of under population in a given country. (10marks)

3a) explain five advantages of buying goods from a hypermarket. (5marks)

b) Explain the differences between the following:

- i). Non-Banking financial institutions and Banks(10 marks)
Goods and Services. (5marks)

4a) Enter the following transactions in the relevant ledger accounts (10mks)

2013

April 1 Judy Cosmetics started a business with Ksh. 150,000 cash

„ 3 bought stock of goods for Sh. 40,000 and paid in cash

„ 6 opened a bank account and deposited Sh. 60,000 from the cash till

„ 9 purchased an office machine for Sh. 25,000 and paid by cheque

“10 sold her own personal car for Shs 50,000 paid in cash

“12 paid for rent Shs 6,900 in cash, electricity Shs 4,500 in cash and water Shs 23,000 by cheque.

“15 received cash Shs 25,600 from her rented apartment.

“18 withdrew Shs 3,500 from bank to buy goods to spend at home.

b) Discuss five factors that an entrepreneur would consider when evaluating business idea (10marks)

5a) A certain county government invested a lot on improving infrastructure in that region. explain five benefits that businesses in that county will enjoy. (10marks)

b) explain five circumstances under which a retailer becomes essential in the chain of distribution. (10marks)

6a) in calculating of consumer price index there several problems that are encountered. Explain five such problems (10marks)

b) On 1st September 2010, Harun Traders had sh.15, 000 cash at hand and a bank overdraft of sh.40, 000. During the month the following transactions took place:

September

4 Kabibi, a debtor settled his account of sh.10, 000 by cheque of sh.8, and 000

7 Deposited sh.400 into the business bank account from the cash till

8 Paid rent by cash sh.4, 000

14 Cash sales sh.14, 000

17 Purchased office equipment worth sh.3, 000 paying by cheque

18 Settled Kofi's account sh.10, 000 after being allowed a discount of 5%

20 Received sh.6000 cash from Njeri, a debtor

22 Hamisi, a debtor settled his sh.4000 account by cheque, having been allowed 20% discount

25 Deposited sh.17, 000 into the bank from private sources

30 Banked the available cash except sh.1, 000

Required:

Prepare a duly balanced three column cash book. (10 marks)