

2017 KCSE JKIM joint examination Test

Business paper 2 Question paper

Answer ANY 5 questions from this section in the space provided

1a) Explain five services of wholesalers to producers. (10marks)

b) Onyango wants to relocate her firm so as to locate it near the market for its product. explain five reasons for this reason (10marks)

2a) Explain five functions of central bank. (10mark)

b) Describe five channels that a local manufacturer may use in distributing his goods in home trade. (10marks)

3a) The following transactions relates to Shama traders use them to prepare a cash receipt journal and post them to the relevant ledger account. (10mks)

1st July Received cash from Machida sh. 1,000 receipt No. 001

4nd July Bazi paid his debt of sh. 2,400 by cheque No. 003 less a cash discount 5%.

8th July Cash sales sh. 4,200 receipt No. 004

9th July Cash sales sh. 7,800 receipt No. 005

11th July Cash sales sh. 10,000 receipt No. 10

15th July Received cheques from the following debtors: Bazi sh. 5000, Kilonzo sh. 7200, joseph sh. 9,000, having given each cash discount of 10%.

b) Explain five measures that the government may employ to regulate and control business activities. (10marks)

4a) Explain five monetary tools that can be used to control inflation. (10marks)

b) Discuss five emerging issues in transport sector. (10marks)

5a) Explain five factors to consider when introducing a new product in the market for the first time. (10marks)

b) Discuss five roles of wholesalers to producers. (10marks)

6a) Discuss ways the government of Kenya may employ to solve the problem of unemployment. (10marks)

(b) The following transactions took place in the month of June 2009.

June 1: Started business with sh. 130,000 in cash and sh. 240,000 at bank.

June 2: Bought furniture paying by cheque sh.100, 000.

May 3 Paid the following accounts by cheque: Mwaura sh. 8,000Weru, sh. 17,000 and Tarishi sh. 10,000

June 4: Received cash from the following accounts; Bahati sh. 7, 200, Wambui sh. 18,000 and Nola sh. 13,500

June 5: Paid the following expenses by cheque: Transport sh. 5, 000, Electricity sh. 4,000 and Rent sh. 7,000

June 6: Withdrew sh. 10,500 from the bank for office use.

june7: Received a cheque of sh. 24,100 from Odongo

June 9: Bought stationery sh. 1,500 in cash.

June 10: Paid Wangi by cash sh. 4,500.

June 23: Deposited all the money in to the bank having a balance of sh. 100,000

Required:

Enter the above transactions in a two column cash book and balance it off.