

**2017 KCSE JKIM joint examination paper**

**Business paper 2 Question paper**

**Answer ONLY FIVE questions in this section in the space provided**

1a) Mambo Leo wholesalers have been buying sugar directly from Mumias Sugar Company. Explain

Five services offered by Mambo Leo wholesalers to Mumias Sugar Company. (10 marks)

b) Explain five principles of insurance. (10 marks)

2a) Describe five features of a hyper market. (10 marks)

b) Explain five ways in which warehousing promotes trade in Kenya. (10 marks)

3a) Discuss five reasons why countries prepare development plans. (10 marks)

b) Explain five causes of unemployment in Kenya today. (10 marks)

4a) Explain five differences between monopolistic market structure and monopoly market structure. (10 marks)

b) Discuss five factors that may lead to the shift of a demand curve from right to left. (8marks)

5a) The following information relates to Mawete business for the month of June 2012.

June 2<sup>nd</sup> Bought goods on credit from Jiki traders Ksh. 340,000 (invoice No 24)

June 3<sup>rd</sup> Sold goods on credit to Marina Traders Ksh. 800,000 (invoice No 28)

June 4<sup>th</sup> Retained goods to Jiki traders Ksh. 300,000 (credit Note No 50)

June 10<sup>th</sup> Sold goods on credit to Sonia wholesalers kshs620, 000 invoices no 29)

June 15<sup>th</sup> Susan wholesalers returned stock worth sh 19000 (credit note no.10)

June 18<sup>th</sup> Bought stock on credit from Wendo traders ksh 120,000 (invoice no 35)

June 25<sup>th</sup> Returned stock to Wendo traders ksh 8000 (credit note no 306)

Required: post the above information in the relevant journals.

b) Most countries in the world are under-developed. Discuss six characteristics of these countries

(12mks)

6a) Discuss four factors that determine the level of a country's national income (10marks)

b) The following balances relates to business of Watamu traders as at 28<sup>th</sup> February 2009 use them to answer the following questions. (10marks)

Details	Shs.
Purchases for the year	450,000
Carriage inwards	100,000
Capital	1,000,000
Sales	800,000
Total expenses	105,000
Stock on 1 <sup>st</sup> Jan 2012	40,000
Returns outwards	30,000
Stock on 31 <sup>st</sup> Dec 2012	100,000
Total creditors	135,000
Debtors	130,000
Returns inwards	145,000

- I. Calculate the cost of goods sold. (2mks)
- II. Gross profit. (2mks)
- III. Rate of return on capital. (2mks)
- IV. Margin %. (2mks)
- V. Rate of stock turn over. (2mks)

