**DR AGGREY HIGH SCHOOL. 1/8/2018**

 **565/1 (80) BUSINESS STUDIES FORM 3 TERM 2 2018 HOLIDAY ASSIGNMENT**

1. State **four** factors that are necessary for a business environment to be said to be conducive. (4 marks)

2. List **four** characteristics of land as a factor of production (4 marks)

3. State **four** services that a wholesaler may offer to a manufacturer (4 marks)

4. Give **four** ways of safe guarding office assets.(4marks)

5. State **four** causes of unemployment in Kenya. (4 marks

6. Highlight **four** circumstances in which it would be found convenient for a manufacturer to sell

 his products direct to consumers and not through middlemen.( 4marks)

 7. The principal of your school presents a cheque to Kenya Commercial bank to cash it, but the bank declined. Highlight **four** possible reasons for this action. (4 marks)

 8. State **four** reasons why there is need for consumer protection.(4marks)

9. Outline **four** circumstances under which you would advice a trader to transport goods by air (4marks)

10. Fill in **the missing figures** in the table below. (4marks)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | FA | CA | C | L |
| a) | 275 500 |  | 315 000 | 115 500 |
| b) | 182 000 | 108 700 |  | 217 100 |
| c) |  | 76 400 | 123 100 | 91 900 |
| d) | 313 450 | 211 340 | 189 170 |  |

11. Highlight **four** benefits of ‘pooling of risks’ to an insurance company. (4marks)

12. Identify **four** documents that promoters of a company may be required to have in order

 to register a public limited company.(4marks)

13. State **four** factors that may make a firm be located near the sources of raw materials.(4marks)

14. Mention **four** assumptions of a perfect competition market. (4marks)15. Study the curve below, which shows a shift from Y0Y0 to Y1Y1

 Price

16. Highlight **four** factor that ma y have led to the shift in the curve.4marks)

Y1

17. State **four** advantages of mobile phones in communication.(4 marks)

18.State **four** ways in which a business idea can be implemented (4 marks)

19. State **four** ways in which commercial attaché can promote exports from his home country ( 4 marks)**20**. Outline **four** advantages of a bonded warehouse to the government. ( 4 marks)

21. Ouma enterprise started business one year ago with an investment of Ksh 1200 000. At the

 end of the year his capital was Ksh 1600000 and his monthly drawing was ksh 20000, calculate his profit for the year ( 4marks)

22. State **four** errors that may not affect the agreement of a trial balance.(4mrks)

23. Following balance were extracted from the books of Chebii traders for the month ended 31st March 2005:

 Sales 420,000

 Purchases 240,000

 Motor van 300,000

 Equipment 120,000

 Debtors 80,000

 Creditors 40,000

 Expenses 160,000

 Capital 440,000

 Prepare a **trial balance** for the month ended 31st 2005.(4mrk)

 *24.* Complete the table below showing, the accounts to be debited and those to be credited (4 marks)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Transaction | Account to be debited | Account to be credited |
| (a) | Goods bought in cash |  |  |
| (b) | Sold a motor van receiving payment by cheques |  |  |
| (c) | Returned goods to James |  |  |
| (d) | Withdraw stock for personal use. |  |  |

 *25.* State **four** characteristics of a perfectly competitive market.(4 mrks)

 ***565/2 Bst 73***

1. (a) Outline **five** benefits of transporting petroleum by pipeline transport to our country (10mks)

(b) Describe **five** factors that lead to a higher level of national income of a country.(10mks)

2. a)Highlight **five** benefits that Mumias manufacturers will get by distributing goods through wholesaler.(10mks)

(b) Give **five** differences between a public limited company and a public corporation.(10mks)

3. (a) A multi-national company is planning to launch its products in the local Kenyan market. Explain **five** factors that it should take into consideration while choosing the appropriate media through which to advertise its products. (10mks)

(b) The following balances were extracted from the books of Mbili Traders for the year ended 31st  December,2014.

 **Kshs**

 Stock 100,000

 Capital 800,000

 Debtors 50,000

 Creditors 80,000

 Cash 10,000

Net Profit 10,000

Bank Overdraft 70,000

Machines 600,000

Furniture 200,000

 **Required**: **Prepare** Mbili Traders balance sheet as at 31st December 2014 (10mks)

4. (a) Outline **five**  advantages to a business organization of transacting business through e-commerce.(10mks)

(b) Highlight **five** ways in which an entrepreneur contributes to the production of goods(10mks)

5. (a) Give **five**  differences between perfect competition and monopolistic competition. (10mks)

(b) Highlight **five** advantages of using a computer in an office.(10mks)

6. (a) (i) Mukhwandala insured his house worth Kshs 3400,000 for Kshs 2960,000.Later it was destroyed leaving a fraction of the house worth Kshs 1260000.Calculate the compensation he would get.(5mks)

(ii).Give **the procedure** of obtaining an insurance policy. (5mks)

(b). Explain **five** circumstances that may influence a firm to locate its operations near the source of raw materials.(10 mrks)

7(a) Record the following transactions in the relevant ledger accounts, balance the account and extract a trial balance.(12 marks)

 **Date transaction**

 1/4/2012 Mary started business with shs.80,000 cash

 2/4/2012 Bought stationery for shs.4,000 and paid in cash

 3/4/2012 Opened a bank account and deposited shs.50,000 from the cash till

 4/4/2012 Bought motor vehicle worth shs.250,000 from Lucy motors on credit

 5/4/2012 Bought postage stamps for shs.60 in cash

b) The following balances were extracted from the books of Rehema Traders on 1SI

 January 2015. ksh

 Capital 600,000

Creditors 180,000

Motor van 200,000

Furniture 200,000

Stock 60,000

Debtors 80,000

Cash 240,000

The following transactions took place during the year ended 31st December 2015:

(i) Sold furniture worth Ksh 60,000 for which Ksh 40,000 cash was received and the balance was due at the end of the year.

(ii) Purchased goods worth Ksh 100,000 for which cash of Ksh 70,000 was paid and the balance was still outstanding at the end of the year.

(iii) Cash Ksh 10,000 was taken from the business by the proprietor to settle the spouse's hospital bill.

Required: **Outline the effect of each transaction on the items of the balance** sheet and hence prepare **a balance sheet as at 31st December 2015.**