



b) State five features of an efficient transport system.(5mks)

4. a) State four characteristics of basic human wants. (4mks)

b) State five reasons why most businesses in Kenya operate on small scale. (5MKS)

5. a) In each of the following cases state the sources documents used.(4mks)

- i)When goods are sold in cash.
- ii)When correcting an under-charge.
- iii) When goods are returned by a customer
- iv) When the petty cashier pays for expenses in an office

b) The following transactions took place in the Mali Traders in the month of June 2016.

June 4: Sold goods on credit to Biyang sh14,000 and Wendy sh17000

June 7; Bought goods on credit from Faddy sh43,000

June 10; Biyang returned goods worth sh3000

June12; Purchased goods on credit from Violet sh64,000 and Elastia sh28,000.

June 18; Goods worth sh5000 were returned to Faddy and goods worth sh2000 were returned to Violet.

June 22; Goods sold on credit to Biyang sh 6000,Amwangu sh 10,000 and Josephine sh 11,000

June 28; Goods returned to Amwangu sh 10,000.

Required: Prepare the relevant Journals. (12mks)