

NAME.....ADMISSION NUMBER.....

565/2

BUSINESS STUDIES 565/2

TIME:2 ½ HOURS

2020 FORM 4 TERM 1 ENRTY EXAMS

KENYA CERTIFICATE OF SECONDARY EDUCATION (K.C.S.E.)

BUSINESS STUDIES

TIME 2HOURS

Instructions to candidates.

- Write your name and admission number in the spaces provided.
- Answer all questions in the spaces provided.
- Answer **any five** questions
- Answers must be written in English.
- Avoid one word answers

1. a) Explain five features that differentiate a public company from a public corporation.(10marks)
 b) Jambo Tena enterprises had the following balances in the cash book on 1st November, 2018. Cash at hand shs. 10,000 and bank shs. 150,000
 2. Bought buildings paying by cheque shs. 50,000
 3. Drew shs. 4,000 from Bank for office use.
 4. Took cash shs. 1,000 for his personal use
 5. Credit sales to Jema traders shs. 5,000
 6. Took all the cash to the bank leaving a balance of only shs. 100

Required: prepare duly balanced a two column cash book.
2. a) Explain **five** emerging issues in office management. (10marks)
 b) Explain five circumstances under which a partnership may be dissolved (10mks)
3. a) Explain five circumstances under which a manufacturer would prefer to sell his products direct to consumers instead of selling through middlemen.(10 marks)
 b) Explain five factors to consider when choosing a method of promoting products.(10 marks)
4. (a) In most secondary schools in Kenya, members of staff are accommodated in one large room. Explain **five** disadvantages associated with this kind of arrangement.(10mks)
 (b) Explain Five benefits of warehousing to consumers (10 marks)
5. a) Explain five uses of National Income Statistics (10mks
 b) i) Explain four insurance policies that the owner of a supermarket may find useful for the business. 8mks
 ii) A farmer’s house valued at Ksh. 1,200,000 was insured against fire for ksh. 900,000. Fire occurred and damaged the house causing a loss of ksh. 500,000. Determine the value of compensation due to the farmer. (2mks)
6. a) The accounts of Maneno Traders showed the following balances as at 31st December 20-2. Required: Balance off the accounts and extract a trial balance (10 Mks).

Land and Buildings Account

Dr

Cr

| | ulars | | nt | | ulars | | nt |
|--|-------|--|----|--|-------|--|----|
| | | | 00 | | | | |

Motor Cars Account

Dr

Cr

| | ulars | | nt | | ulars | | nt |
|--|-------|--|----|--|-------|--|----|
| | | | 00 | | | | |

Cash Account

Dr

Cr

| | ulars | | nt | | ulars | | nt |
|----|-------|--|--------|--|-------|--|----|
| ts | | | 30,000 | | ases | | 0 |
| | | | 5,000 | | ors | | |
| | | | 3,000 | | | | |

Creditors Account

Dr

Cr

| | ulars | | nt | | ulars | | nt |
|--|-------|--|----|--|-------|--|----|
| | | | | | | | |

Capital Account

Dr

Cr

| | ulars | | nt | | ulars | | nt |
|--|-------|--|----|--|-------|--|----|
| | | | | | | | 00 |

Sales Account

Dr

| | ulars | | nt | | ulars | | nt |
|--|-------|--|----|--|-------|--|----|
| | | | | | | | |

b) Highlight **five** factors that may lead to rapid increase in population. (10mks)