GOLDLITE SUPPLIES

KCSE SMARTFOCUS FORM 3 ASSIGNMENT BOOKLET

BUSINESS STUDIES

(20 ASSIGNMENTS)

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KNEC COMPLIANT

ASSIGNMENT 1

PAPER 1

1. Highlight **four** uses of National Income statistics. (4mrks)
2. Outline **four** features of a general or property Insurance policy. (4mrks)
3. Highlight **four** limitation that small scale retailer operators face. (4mrks)
4. Mention **four** roles played by intermediaries in the chain of distribution (4mks)
5. Outline **four** features of oligopoly (4mks)
6. Mention **four** pre requisites of transport (4mks)
7. Identify the documents that relates to the following statements. (4mks)

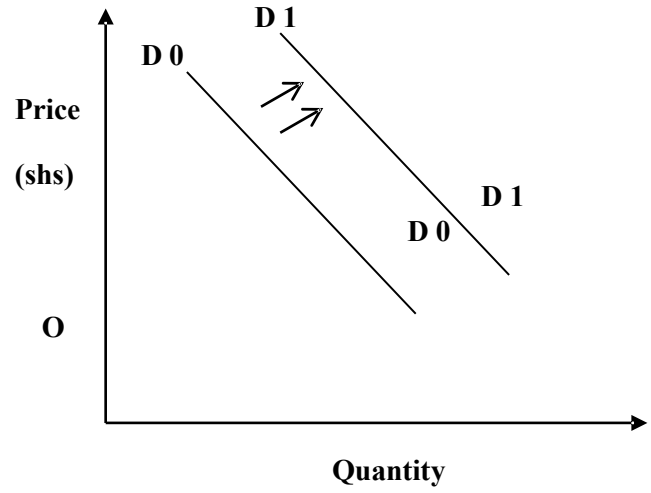
Statement	**Document**
a) Corrects an overcharge	
b) Shows amount expected from a number of transaction in a given period	
c) It's a booklet containing brief description of good sold	
d) Demands for payment after delivery of goods on credit	

8. On 1st January 2014, Dala's Traders had cash in hand Shs. 62,000 and cash at Bank shs. 233.000. Debtors and creditors were Kshs. 60,000 and Shs. 78,000, respectively. The following transactions took place during the month.

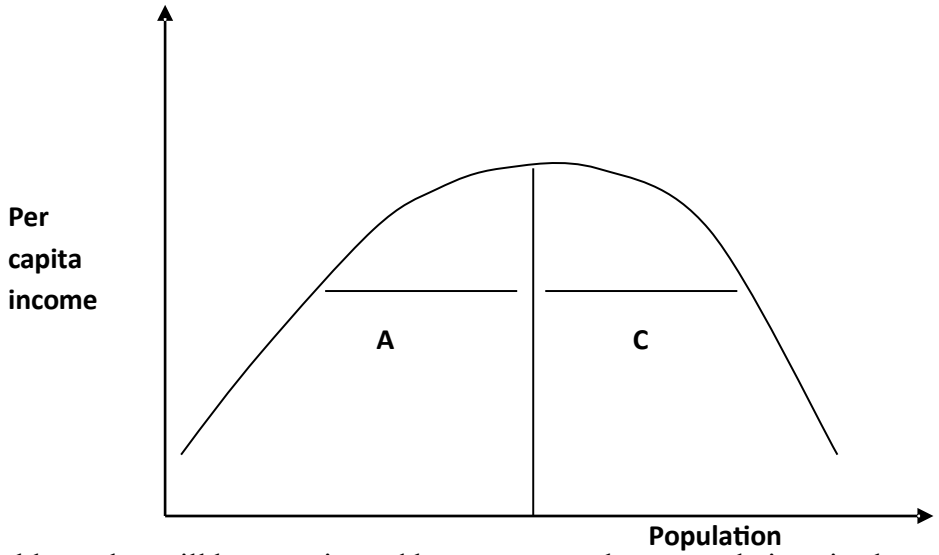
2014 Jan 1st : received a cheque for shs. 25,000 from a debtor
18th : Drew a cheque for shs. 47,000 in respective of creditor.
25th : deposited all cash into bank.

Required: Post the above transaction into respective ledger accounts and balance them off. (5mks)

9. The following diagram shows a shift in demand curve. Outline **four** reasons that can lead to this shift.



10. The diagram below shows population size.



State **four** problems that will be experienced by a country whose population size has reached stage **C** (4mks)

11. Mwakio's electronic business had the following cash transactions' for the month of August 2008.

Aug 1: Balances from the previous Month: cash sh. 3,250 bank shs. 53,400; paid a supplier sh. 5,000 by Cheque.

Aug 2: Settled a debt of sh 6,000 owed to caro by cheque less 3% cash discount; bought stock worth sh. 6,000 in cash.

Aug. 8: Received by cheque the following payments from debtors after they had deducted 5 % cash discount. Mwai sh. 6175, Kyula shs 8075 ,Mulu sh. 9500

Aug. 15. Paid the following creaditors by cheque after deducting 4% cahs discount Wateri shs. 4,000, Keya shs. 3,000

Aug. 20 withdrew sh, 20,000 from the bank for use in the business

Aug. 27.: paid rent of shs. 3000 by cheque.

Aug. 29. Paid an electricity bill of shs. 4800 by cheque. (9 marks)

***Required*:** Prepare a three- column cash book for Mwakios electronic business for the month of August 2008 and balance it at the end of the month.

11. Highlight four reasons why a small scale business may succeed despite competition it faces from large firms. 4 marks} {

12. Identify four ways through which businesses give after sales services to their customers. {4 marks}

13. Outline any four sources of monopoly power for a firm. {4 marks}

14. State four advantages of using credit cards as a means of payment. {4 marks}

15. Highlight four reasons for which business should observe ethical practice. {4 marks}

16. Outline four features of liners is sea transport. {4 marks}

17. Outline four differences between a cheque and Bills of exchange. {4 marks}

18. Highlight four factors that may prevent occupational mobility of labour (4marks)

19. Give three causes of changes in capital of a business (3marks)

20. Complete the table below by indicating the relevant account to be debited and credited (4mks)

	Account to debit	Account to debit	Account to credit
a.	A debtor paid by cheque		
b.	Bought goods on credit		
c.	Draw cash from bank for office use		
d.	Paid cash to creditor		

21.Outline four types of income included in national income computation using national income method (4marks)

22.Kasyoki Traders had the following balances as at 15th January 2005

Capital	150,000
Cash at bank	68,000
Machinery	17,500
Premises	50,000
Creditors	19,000
Furniture	8,500
Motor van	20,000
Cash in hand	50,000

Requirement

Prepare Kasyoki's Trial Balance (4marks)

23.Outline four circumstances under which a manufacture may locate his firm near the market for the products. (4marks)

24. Among the documents required by the Registrar of companies is the Articles of Association. Highlight **four contents** of the Articles of Association (4 mks)

25. The table below describes some terminologies used in business Studies. Identify the term given to each statement (4mks)

	Statement	Term
a)	Activities carried out with a view to making profit	
b)	Increasing the usefulness of a good or service	
c)	Movement of goods from producers to consumers	
d)	A person who uses a good or service	

ASSIGNMENT 2

1. (a) Explain five principles of insurance. **(10mks)**
(b)Explain five ways through which containers may be in effective as a way of moving goods. **(10mks)**
2. (a) Explain five internal economies of scale that may be experienced by the firm. **(10mks)**
(b) Explain five factors to be considered when setting up an office layout for a business organization **(10mks)**
3. (a) Explain five causes of unemployment. **(10mks)**
b) Explain five benefits of preparing a business plan to a firm. **(10mks)**

4. (a) Explain five factors that influence choice of product promotion. **(10mks)**
b)Explain five roles played by commercial attaches in trade promotion. **(10mks)**

5.(a) Describe five differences between a movement along a demand curve and a shift of a demand curve. **(10mks)**

b) The following information relates to Maralal Traders for the month of May 2014.

May 1: Balance brought forward:
Cash Shs. 180,000
Bank Shs. 450,000 (Cr)
3: Received a cheque of 1,500,000 from Mpasha, a debtor
7: Cash sales Shs. 280,000
11: Jolloimat, a creditor of Shs.600, 000 was paid by cheque of sh 400,000 and the balance by cash.
14: Received commission in cash sh. 150,000
17: A debtor, Leteipa, paid his account of 185,000 by cheque less 2% cash discount.
19: Paid the following expenses by cheque:
Rent Shs. 75,000
Electricity Shs. 32,000
Water Shs. 25,000
21: Withdrew Shs. 100,000 from bank for personal use
24: Paid cash Shs 133,280 to Kinai after deducting a cash discount of 2%
25: Received a cheque of sh. 200,000 from Kiyapi, a debtor
28: Paid Salaries Shs. 120,000 by cheque.
31: Banked all cash except sh. 50,000.

Required:
Record the above transactions in a three-column cash book. **(10mks)**
6. (a) Explain five reasons that may limit use of pipeline transport in a country. **(10mks)**
(b) Kavetsa had the following balances on 1st January 2010

	sh
Motor vehicle	210,000
Debtors	20,000
Cash	90,000
Stock	25,000
Creditors	40,000
Cash at Bank	50,000

During the month, the following transactions took place
2010 January 4: paid sh 12,000 to creditors by cheque
'' 13: purchased stock worth sh 18,000 on credit
'' 26 : deposited sh 6,000 into the business bank account from cash till
Record the above transactions in the relevant ledger accounts and balance them off. **(10mks)**