## **KALA FORM 4 PRE-TRIAL EXAMINATION**

## Kenya Certificate of Secondary education

**565/2** - BUSINESS STUDIES - Paper 2

<b>MARCH 2025</b>	2 ½ hou	rs
	K	A
		A
I	nspiring Aca	demic Success

Name:	• • • • • • • • • • • • • • • • • • • •		Admission No
Class	Date:	School:	

## **Instructions to Candidates**

# **INSTRUCTIONS TO CANDIDATES**

- a. Write your details on the spaces provided above.
- b. This paper consists of six questions.
- c. Answer any five questions.
- d. All questions carry equal marks.

## **FOR EXAMINER'S USE ONLY**

Question	Candidate's Score	Maximum Score
1		20
2		20
3		20
4		20
5		20
6		20
Grand		
Total		

KALA TRIAL 2024 Inspiring Academic Success

1. a) Explain five reasons why filing office documents for an organization is important.

(10 marks)

b) Explain five barriers to effective communication.

(10 marks)

2. a) Explain five benefits of insurance to the Kenyan economy.

(10 marks)

- b) Nadupoi Enterprises started business with sh. 500,000 in cash on 1st January 2025.
- January 2: Deposited sh. 300,000 cash into the business bank account.
  - 3: purchased goods worth 15,000 in cash.
  - 5: Paid Rent sh. 20,000 by cheque

### Prepare:

- i) Nadupoi's ledger accounts and balance them off
- ii) Extract a trial balance as of 5th January 2025.

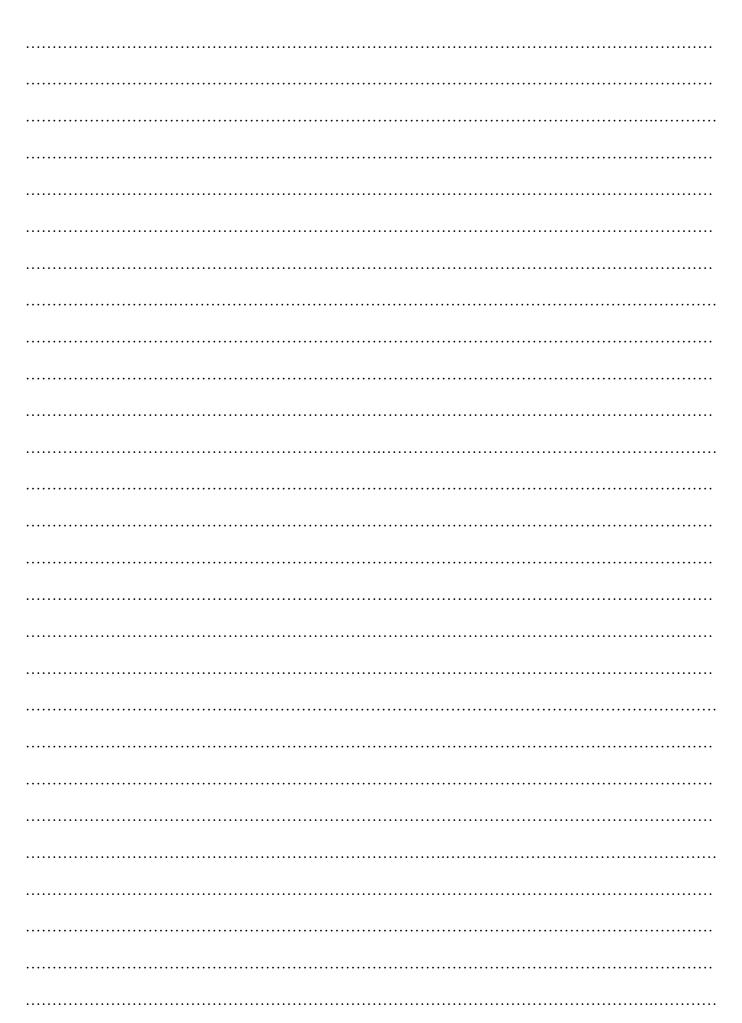
(10 marks)

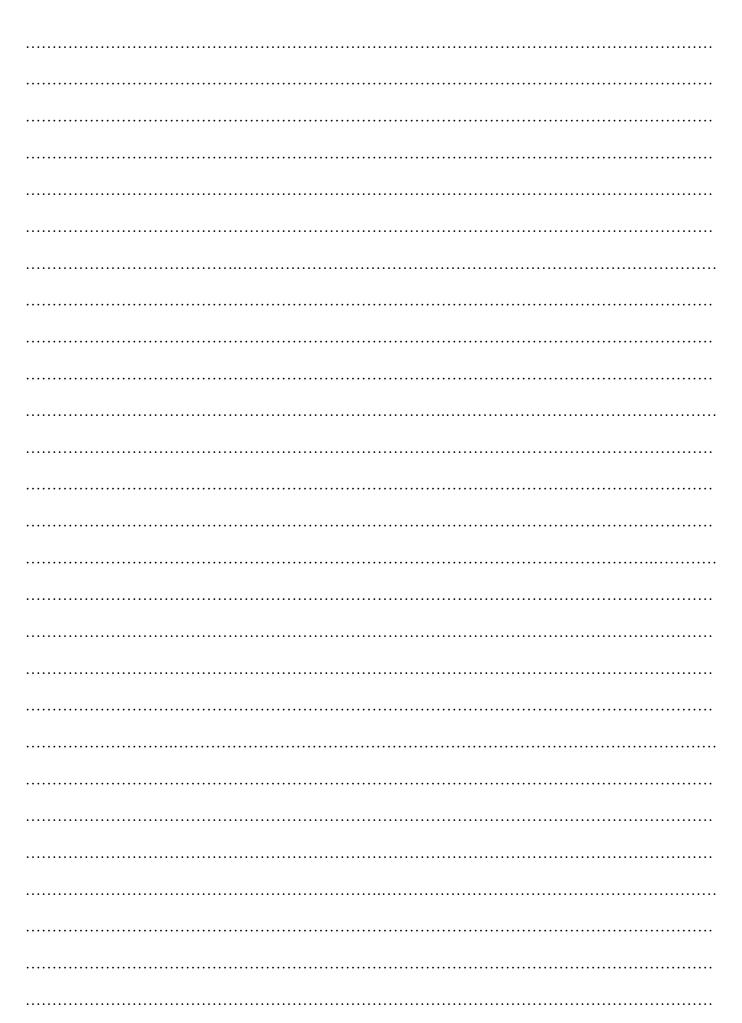
- 3. a) Explain five measures the government of Kenya may implement to increase employment opportunities. (10 marks)
  - b) Explain five features Mrs. Kogo should portray as a successful business lady. (10 marks)
  - 4. a) Explain five guidelines followed by a government before spending its funds. (10 marks)
    - b) The table below represents a farmer's supply of Oranges to a local market.

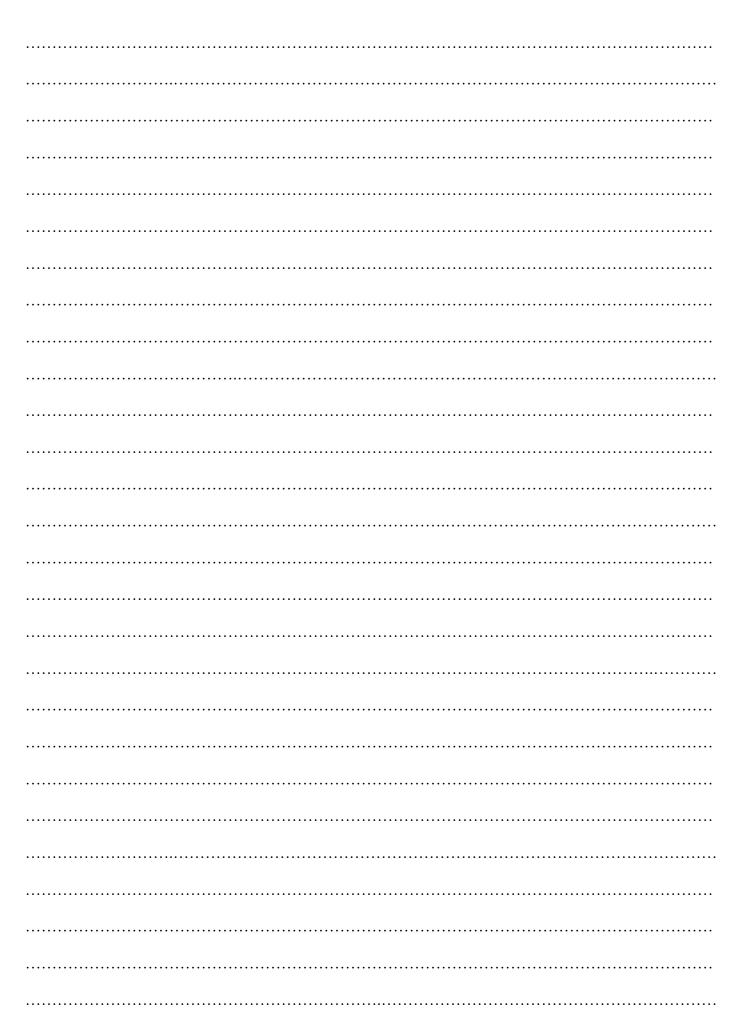
Year	Quantity
2022	20,000
2023	25,000
2024	30,000

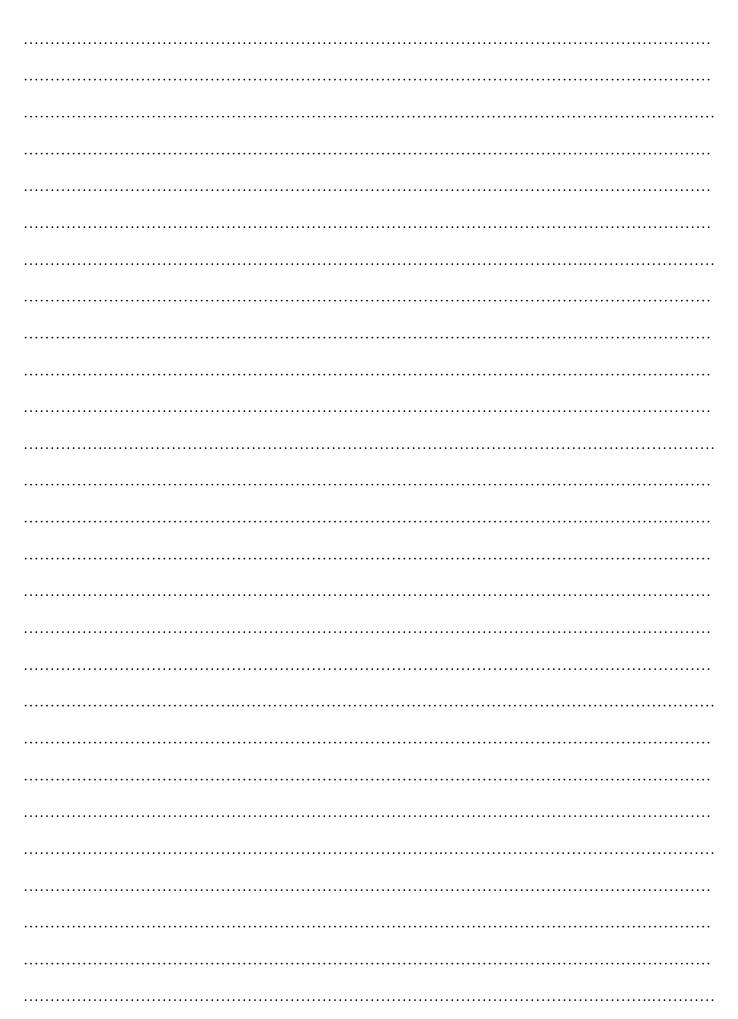
Assuming the price remained constant, explain five possible reasons for the trend in the supply of oranges. (10 marks)

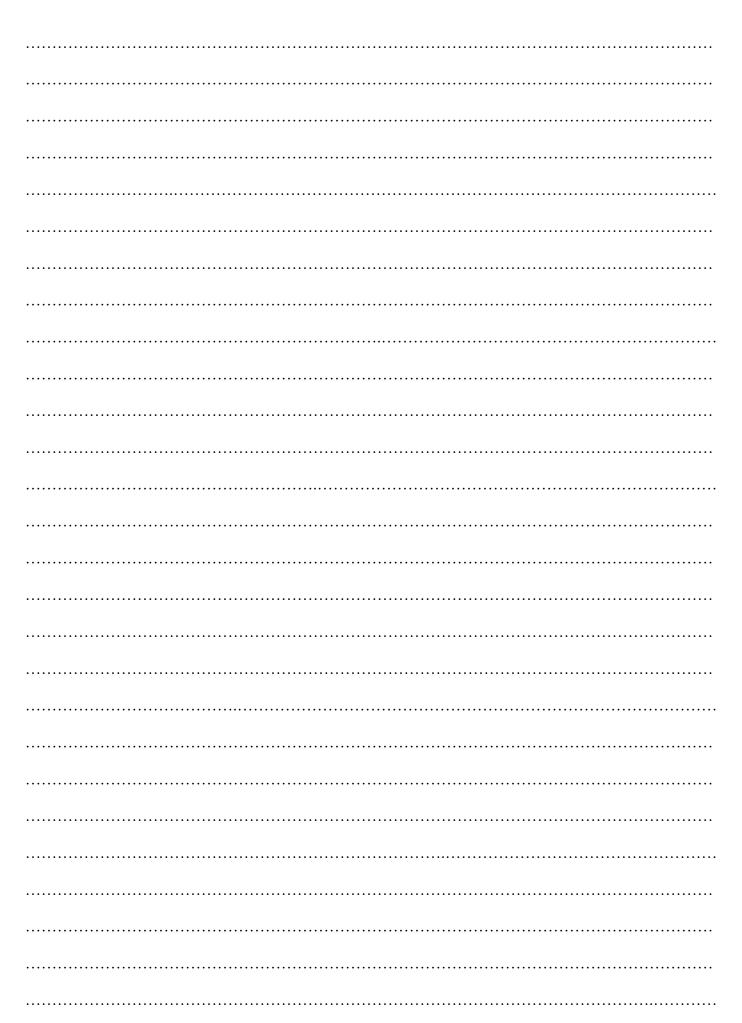
5. a) Explain five monetary policy supply in the economy.	icy measures that the Central Bank of K	enya may use to reduce money (10 marks)
b) Give five differences betw	(10 marks)	
6. a) Kenya exports tea to Egypt	. Highlight five channels she would use	
1. 771 - 0.11		(10 marks)
	relate to books of Maendeleo Traders f	or the year ended 31/12/2024.
Current liabilities	sh. 75,000	
Mark-up	<sup>2</sup> /3	
Sales	sh. 1,200,000	
Working capital	sh. 232,500	
Stock (31/12/2024)	sh. 120,000	
Rate of stock turnover	4.5 times	
Expenses	sh. 140,000	
Required: Calculate;		
<ul><li>i. Quick ratio</li><li>ii. Gross profit</li><li>iii. Cost of sales</li><li>iv. Opening stock</li><li>v. Purchases</li><li>vi. Net profit</li></ul>		(2 marks) (2 marks) (1 mark) (2 marks) (2 marks) (1 mark)

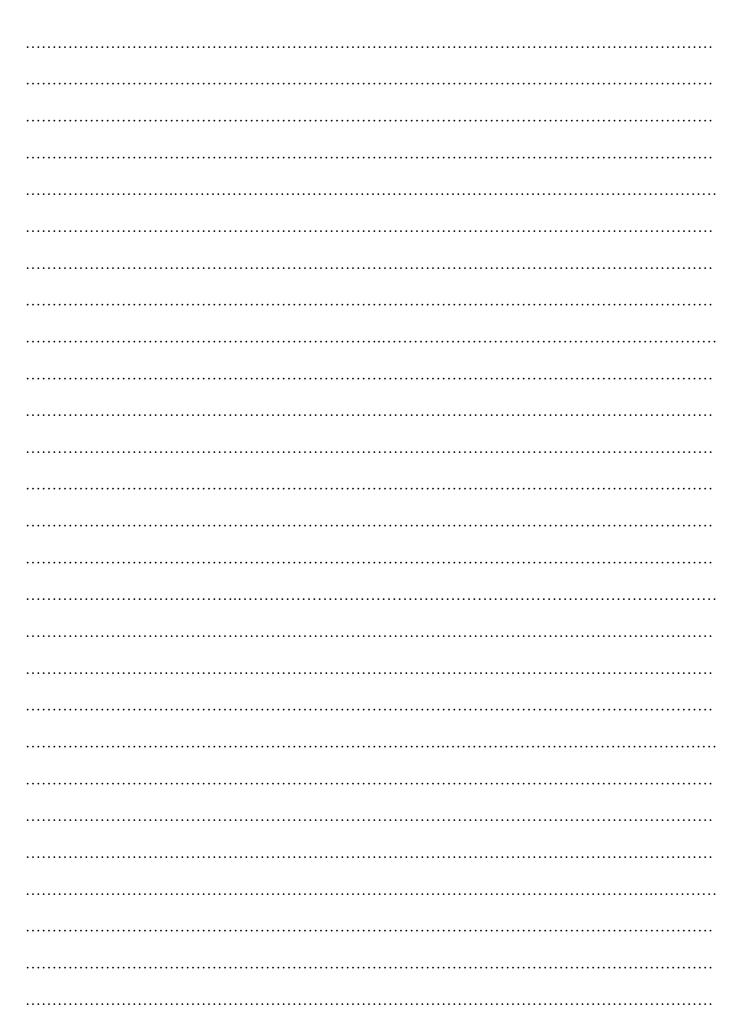


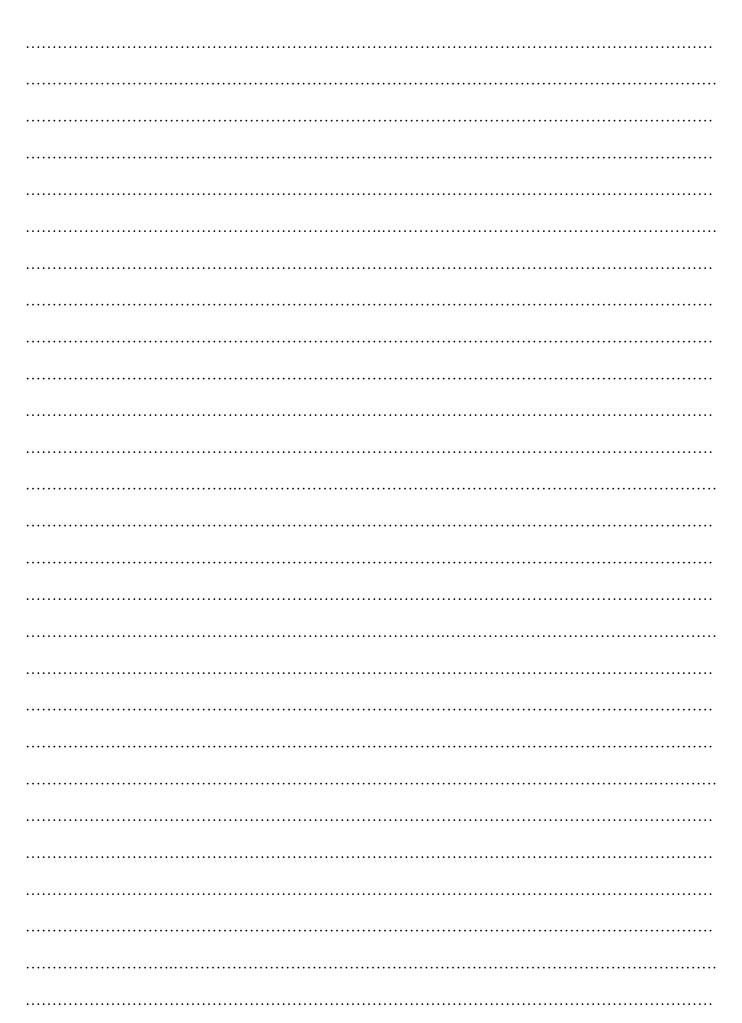


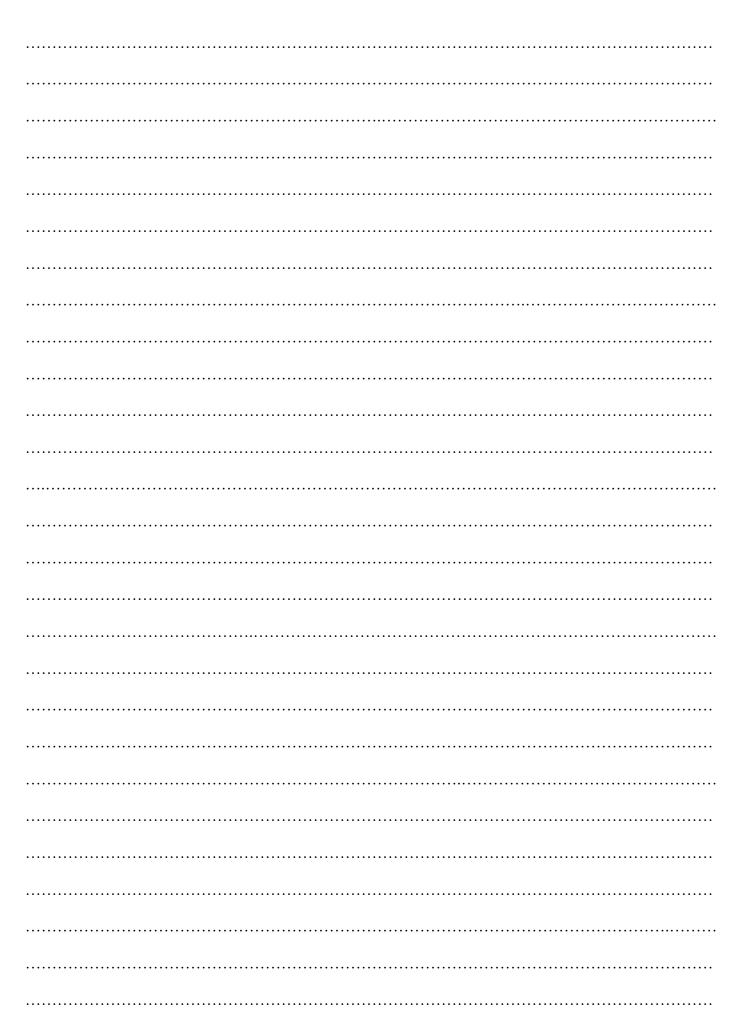


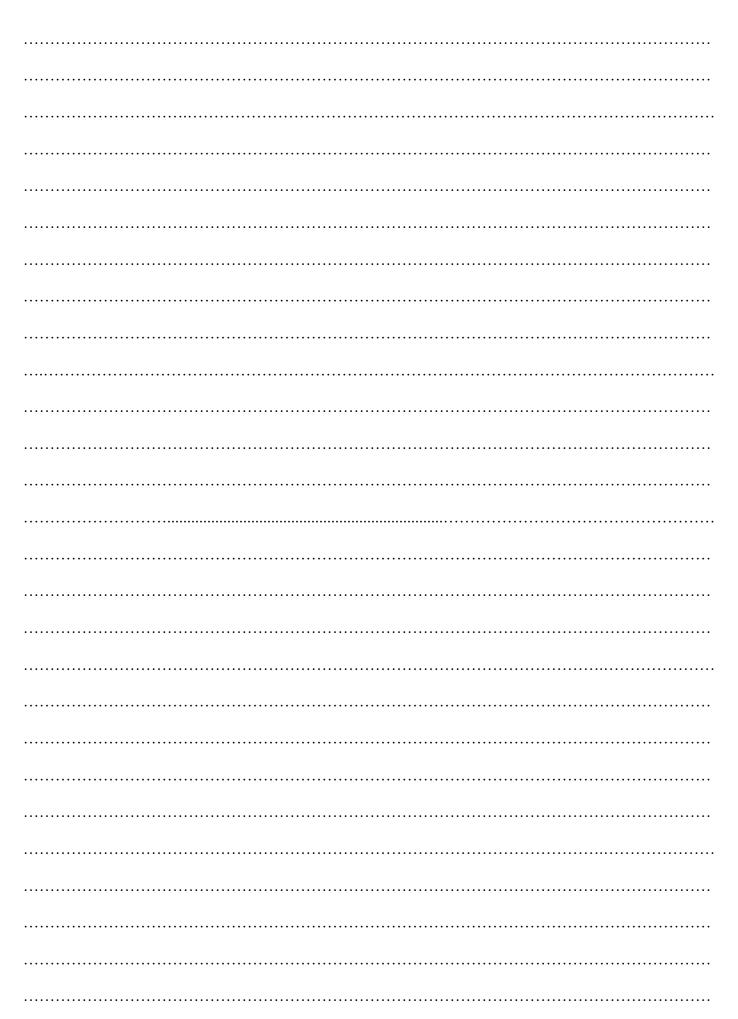


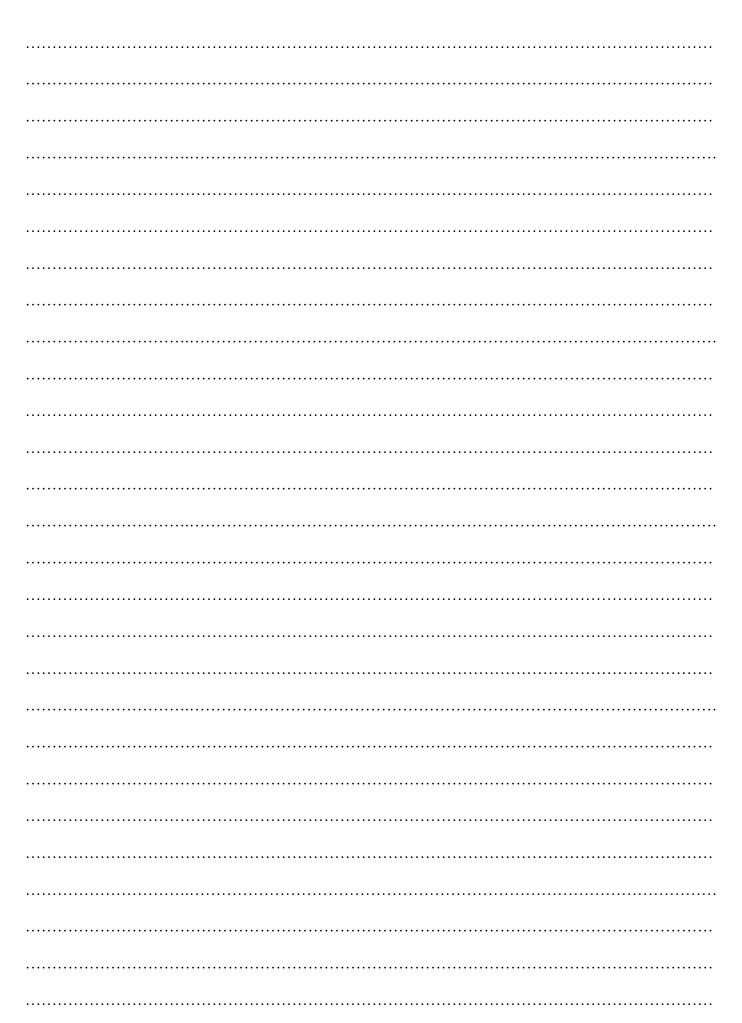












 . <b></b>
•••
 · • •
 · • •
 •••
 · • •
· • •
•••
 • • •
 · • •
•••
 · • •

	 			 	 	• • • • •
•••••	 •••••	•••••	•••••	 	 	••••
	 			 	 	• • • • •
•••••	 			 	 	

This is the last printed page