

2025 SOUTH WEST EDUCATION DIVISION MOCK EXAMINATIONS

BUSINESS STUDIES II MARKING KEY

1. a. Profit = $\frac{17 \times \text{K}250,000.00}{100}$ (1)

100

= K42, 500.00 I/2

Selling price

= K250, 000.00 + K42, 500.00 (1)

= K292, 500.00 I/2

(3 marks)

2a. Selling price per unit at break-even point

= $\frac{\text{Total Revenue}}{\text{Output}}$

= $\frac{\text{K}270,000}{15000}$

2 marks

= K18

1 Mark

(i) Variable cost per unit at break-even
Variable cost = K270,000 – K90,000
= K180,000

Variable cost /unit = $\frac{\text{K}180,000}{\text{K}15,000}$

= K12

4 mark

(ii) Fixed cost /unit = K90,000

2. b. (i) Principal lent out

= K3, 300,000.00- K2, 500,000.00 (1)

= K800, 000.00 (1)



(2 marks)

ii) Interest payable after 2 years

$$= \frac{25 \times \text{K}800,000.00}{100} \quad (1)$$

100

$$= \text{K}200,000.00 \times 2 \quad (1)$$

$$= \underline{\text{K}400,000.00} \quad (1)$$

(3 marks)

3

b. An order form

Order Number 0991 (1)

Happy Motors Limited, (1)

P.O Box 550,

Mbalame.



30/01/25

Zitherepano manufacturers (1)

P.O Box 222

Chigwere

Sir,

Please forward the following items as soon as possible:

100 5-litre bottles engine oil @ K78, 000.000 each (1)

20 Pairs shock Absorbers @ K135, 000.00 per pair (1)

2 cartons radiator coolant @ K55, 000.00 per carton (1)

15 boxes brake pads @ K15, 000.00 each (1)

I look forward to receiving the above mentioned within seven days.

Yours faithfully, (1)

Mmtt (1)

Mary Tsamba. (1)

(10 marks)

END OF MARKING KEY

