JKM KCSE JOINT EXAMINATION 2017

BUSINESS PAPER 1

1. State four reasons why a student should study business studies (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

2. Outline four roles played by entrepreneurs to country’s economy (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

3. State four advantages of using short message services {sms} over letters as a way of communication (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

4. State four importance of warehousing to country’s economy (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

5. Give four reasons why one person may pay higher amounts of premium than another person in life assurance (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

6. Give four factors that affect both goods and supply (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

7. State four sources of economic of scale (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

8. Highlight four risks that entrepreneurs face( 4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

9. State four characterizes of monopoly market structure (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

10. Give four roles of intermediaries in business (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

11. Explain the significance of the following terms as used in international trade (4marks)

a) LOCO……………………………………………………………………………………………..

B) FOBO………………………………………………………………………………………………….

c) ONO…………………………………………………………………………………………………………….

D) FRANCO…………………………………………………………………………………………………………….

12. State four sources of monopoly power (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

13. State four circumstances under which a producer may sell directly to consumers’ (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

14. Give three factors that cause increase in capital of an ongoing business (3marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

15. The following information was extracted from JKIM traders

2016

April 1 bought stock worth Shs 10000 paid by cheque “ 2 paid creditors Shs 5000 cash

“ 6 cash sales of Shs 15000

“ 12 withdrew Shs 4000 from cash till to buy goods for the family

Enter the above transactions into their relevant accounts and balance them off. (5marks)

16. State four features of a bonded warehouse (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

17. What are the advantages of borrowing loans from micro finance than a bank? (3marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

18. Highlight four reasons why taxation is important 4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

19. State four benefits of mpesa as an emerging trend in communication (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

20. Outline four disadvantages of partnership form of business ownership (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

21. State four factors that cause goods to decrease in the market (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

22state four disadvantages of pipeline transport (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

23. The following information was extracted from the books of kimemia enterprise on 30th June 2015

Opening stock ksh 120000

Purchase ksh 520000

Sales ksh 1520000

Mark up 25%

Prepare trading account to determine: (5marks)

a)closing stock

b)cost of goods sold

c)gross profit

24.why is consumers protection important(4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….

25. highlight four causes of unemployment among the youths in Kenya today (4marks) a)…………………………………………………………………………………………………………………………………………………………….

b) ……………………………………………………………………………………………………………………………………………………………

c)………………………………………………………………………………………………………………………………………………………………

d)……………………………………………………………………………………………………………………………………………………………….