

2017 KCSE JKIM joint examination test

Business paper 1 Question paper

Answer all questions in this section in the space provided

1. Outline four reasons why consumers have to make a choice between different competing needs. (4marks)

- a).....
- b) .....
- c).....
- d).....

2. Highlight four reasons why a sole trader business may remain small. (4marks)

- a).....
- b) .....
- c).....
- d).....

3. State four advantages of division of labour. (4marks)

- a).....
- b) .....
- c).....
- d).....

4. A potential entrepreneur wants to start business. Give him four ways of generating business ideas. (4marks)

- a).....
- b) .....
- c).....
- d).....

5. Give four roles played by intermarries in the chain of distribution. (4marks)

- a).....

- b) .....
- c).....
- d).....

6. State four factors that could hasten the economic development of a country. (4marks)

- a).....
- b) .....
- c).....
- d).....

7. State four factors that may cause ineffectiveness in face to face communication. (4marks)

- a).....
- b) .....
- c).....
- d).....

8. State four reasons why a business may locate near the source of raw materials. (4marks)

- a).....
- b) .....
- c).....
- d).....

9. Indicate whether the following taxes are indirect, custom or direct in the following cases.

Tax	type of tax
a) Value added tax.....	.....
b) Corporation tax .....	.....
c) Capital gains tax .....	.....
d) Excise duty .....	.....

10. Outline four ways in which households contribute to national income (4marks)

- a).....

- b) .....
- c).....
- d).....

11. State four features of a chain store. (4marks)

- a).....
- b) .....
- c).....
- d).....

12. State four factors that may lead to unfavorable terms of trade. (4marks)

- a).....
- b) .....
- c).....
- d).....

13. The following balances were extracted from the books of Fatuma Traders for the year ended 31 December 2014.

Shs.

Opening stock 20,000

Capital 80,000

Gross profit 18,620

Discount allowed 740

Carriage outwards 1,350

Rent received 3,430

General expenses 1,960

Salaries and wages 5,700

Prepare profit and loss account.

14. State four ways of increasing the efficiency of land as a factor of production. (4marks)

- a).....
- b) .....
- c).....

d).....

15. Highlight four characteristics of human wants (4marks)

a).....

b) .....

c).....

d).....

16. State four trends in transport sector (4marks)

17. Mention four importance of entrepreneurship. (4marks)

a).....

b) .....

c).....

d).....

18. Give the uses of the following office equipment.

Equipment	Use
Staple	
Franking machine	
Computer	
Paper shredder	

19. State four items contained in the partnership act of 1963. (4marks)

a).....

b) .....

c).....

d).....

20. State four advantages of public corporations in Kenya. (4marks)

- a).....
- b) .....
- c).....
- d).....

21. State four economic factors that determine the consumers buying ability (4marks)

- a).....
- b) .....
- c).....
- d).....

22. Outline four functions of an entrepreneur as a factor of production. (4marks)

- a).....
- b) .....
- c).....
- d).....

23. State four types of ware house (4marks)

- a).....
- b) .....
- c).....
- d).....

24. Mutua a student in a certain high school wanted to acquire life insurance cover. State four advantages of this. (4marks)

- a).....
- b) .....
- c).....
- d).....

25. State four unethical practices in product promotion. (4marks)

a).....

b) .....

c).....

d).....