

KCSE 2017 JKIM JOINT EVALUTION TEST

Business paper 1

Attempt all questions in the space provided.

1 state four benefits of advertising to customer. (4 marks)

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

2. State four characteristics of chain store. (4 marks)

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

3. Highlight four roles of retailers in the chain of distribution towards wholesalers. (4 marks)

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

4. Give four drawbacks of direct production. (4 marks)

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

5. State four measures taken by the government to support business operations in Kenya. (4 marks)

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

6. What are the shortcomings of division of labour and specialization? (4 marks)

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

7. Name four sources of funds to a new business. (4 marks)

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

8. State four causes of cyclic type of unemployment. (4 marks)

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

9. State four laws enacted by government to protect consumers from unethical practices. (4 marks)

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

10. Enter the following transactions in their relevant ledger accounts. (4 marks)  
2012

September 1 Akinyi started business with Shs 125,000 cash

September 2 bought stock worth Shs 3,900 paid in cash

September 5 cash sales of Shs 2,100 paid by cheque.

September 7 deposited Shs 2,300 into the bank.

11. State four causes of high population growth rate in Kenya. (4 marks)

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

12. State five importance of free warehouse to producers. (5marks)

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

13. Highlight four benefits of borrowing loans from non-financial institutions. (4 marks)

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

14. Outline four advantages of pipeline transport. (4 marks)

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

15. State four causes of shortage in supply of product x in the market. (4 marks)

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

16 outline three types of warehouse (3marks)

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

17. State four sources of monopoly power. (4 marks)

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

18. Fill the table by indicating the effect of the transaction as either increase or decrease. (5marks)

Transaction	Assets	liability	Capital
Started business with Shs 2,000 in bank			
Sold stock on credit			
Paid creditors			
Paid debtors			
Rent received of Shs.200			

19. State four factors to be considered before starting a business. (4 marks)

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

20. Outline four ways in which business should use to minimize environmental pollution. (4 marks)

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

21. Highlight four shortcomings of partnership form of business ownership. (3 marks)

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

22. State four reasons why change in taste and preference of consumers would affect demand and supply of that commodity. (4 marks)

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

23. State four types of utility. (4marks)

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

24. Highlight four features of a supermarket that are different to a hypermarket. (4 marks)

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

25. Identify the insurance terms described below (4 marks).

description Term

To transfer ownership of life policy to another person

Regular payments for insurance cover

Insuring same subject for the same risk with more than one insurance

company

Refund received on cancellation of life policy before mature (4marks)

Description	Term
To transfer ownership of life policy to another person	
Regular payments for insurance cover	
Insuring same object for the same risk with more than one company	
A company insuring with another big company	