

2017 KCSE JKIM joint examination paper

Business paper 1 Question paper

Answer all questions in this section in the space provided

1. Kirwa wants to borrow money from KCB bank. State four factors he has to take into consideration Before he borrows the money. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

2. Highlight four barriers to entrepreneurial development. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

3. Outline four advantages of warehousing to a consumer. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

4. State five problems encountered in development planning. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

5. Highlight four ways in which the insurance industry promotes growth of business enterprises. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

(v). 6 Identify whether the following factors form the external or internal environment (by)

Factors External Internal

- a) Political climate.....
- b) Size of population.....
- c) Goals and objectives.....
- d) Employees.....

7. Give the right document that relates to the following statement. (4marks)

statement	Document
(i) Corrects an undercharge	
(ii) Shows total amount expected from a number	
(iii) It is a booklet containing brief descriptions of books	
(iv) Demands payment for goods sold on credit	

8. Outline four ways in which warehousing promotes trade in Kenya. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

9. Outline four factors that may account for predominant direct production in a country. (4marks)

- (i).

- (ii).
- (iii).
- (iv).

10. A business enterprise had a cash balance of 50,000 and overdraft of 15,000 on 1st Feb 2008

The following transactions were conducted:

- (i) Feb 2nd A debtor paid 40,000 by cheque
- (ii) Feb 10nd the business bought stock 10,000 in cash
- (iii)Feb 12th creditors were paid 5000 by cheque
- (iv)Feb 13th sold goods 30,000 in cash

Required: Prepare a two column cash book and balance sheet? (4marks)

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11 Outline four problems that are encountered when computing price index. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

12State for disadvantages of Automatic Teller Machines (ATM). (4marks)

- (i).
- (ii).
- (iii).
- (iv).

13. Highlight four negative effects of economic development. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

14. Name four types of printed messages that may be sent through facsimile. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

15. Highlight four negative effects of economic development. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

16. State any four factors that may determine the amount of premiums in life assurance. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

17. Give three features of subsistence production(3marks)

- (i).
- (ii).
- (iii).

18. State four reasons why a country would want to know the structure of its population. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

19. Outline four uses of general journal(4marks)

- (i).
- (ii).
- (iii).
- (iv).

20. Name the document used in international trade described below. (4marks)

Description	Document
a)A document used by a shipping company to indicate charges for goods	
b) Letter written to a bank authorizing it to resell goods being exported.	
c) A document used to prove ownership of goods upon arrival at the port of destination.	
d)A document that is issued to prove the country goods have been imported from	

21. Outline four ways in which products can be differentiated under monopolistic competition. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

22. State four ways in which the government may create an enabling environment for business Activities. (4marks)

- (i).
- (ii).
- (iii).
- (iv).

23. Kenya is yet to realize its vision 2030 plan .Outline four factors that can hinder Kenya from Realizing its vision 2030. (4marks)

- (i).
- (ii).
- (iii).

(iv).

24. Highlight four factors that may hinder the expansion of small business enterprises. (4marks)

(i).

(ii).

(iii).

(iv).

25. The following balances of assets and liabilities were provided by Kimau Traders as at 31st/12/2009.

Item	Shs
Bank overdraft	80,000
Land	200,000
Accrued electricity bill	50,000
Stock	20,000
Debtors	50,000
Creditors	10,000

Shs

The business had drawings amounting to sh. 25,000 during the year. Prepare a balance sheet to as at 31st June 2016. (5marks)

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