

**KCSE 2017 JKIM JOINT EXAMINATION**

**Business paper 1 Question paper**

**Instructions: Answer ALL questions in the space provided.**

1. Rotich the bursar of Muruku girls was preparing the trial balance of the school for the year 2015. After balancing he got convinced that there was no error committed. Highlight any four errors that Rotich would not be aware of. (4marks)

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

2. Give any four reasons why small scale firms continue to exist in economy dominated by large scale firms (4marks)

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

3. Describe four channels used when importing commodities. (4marks)

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

4. Outline four types of business activities. (4marks)

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

5. Give four reasons why some traders prefer to operate supermarket business. (4marks)

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

6. List four essential elements of a transport system. (4marks)

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

7. Highlight four reasons why a cheque may be dishonored. (4marks)

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

8. Outline four ways in which a good business structure is of benefit to a business organization. (4marks)

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

9. Give four reasons why most Kenyans do not operate bank accounts. . (4marks)

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

10. Outline four characteristics of chain stores. . (4marks)

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

11. Outline four functions of the stock exchange. (4marks)

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

12. State four distinctive features of a parasternal. (4marks)

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

13. Outline four implications of a young population on the economy. (4marks)

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

(iv). .....

14. Describe four measures that one would take when the trial balance fails to balance. (4marks)

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

15. Identify the machine or equipment that relates to the following descriptions. (4marks)

Description	Office machine
a) Used to make postage impressions on the envelopes.	
B) Used for destroying unwanted documents by cutting them into tiny pieces.	
c) Used for trimming papers to the required sizes.	
d)used for transmitting printed messages such as letters,maps,diagrams and photographs	

16. Highlight four benefits that a subsistence producer may get by participating in the exchange of goods. (4marks)

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

17. Mention four benefits that consumers get from small-scale retailers. (4marks)

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

18. State four external factors that may adversely affect the efficient operations of a business enterprise. (4marks)

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

19. Outline four benefit enjoyed by a large scale consumer who buys directly from the producer. (4marks)

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

20. Bula Traders intends to promote their products to increase his sales volume. Highlight any four

circumstances under which he would use personal selling. (4marks)

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

21. Highlight four reasons why consumers need to be protected. (4marks)

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

22. Using a diagram, illustrate how a decrease in demand occurs while holding all factors constant apart from price. (4marks)

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

23. The following information's was extracted from the books of Jamesly traders as at 31<sup>st</sup> December 2014

	Shs.
Motor van	20,000
Carriage outwards	5,000
Discount received	31,000
Gross profit	12,000
Rent income	12,500
Salaries	15,000
Insurance	1,000
Creditors	17, 000
Rent expenses	12,000
General expenses	12,000

Required to prepare Jamesly traders profit and loss account for the period ended 31st December 2014(5marks)

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24. Outline four difficulties that would be faced by an individual in the satisfaction of human wants. (4marks)

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

25. All vehicles on Kenyan roads must have insurance policy. Highlight the meaning of the following terms as used in Insurance. (4marks)

(i) First Party.....

(ii) Second Party.....

(iii) Third Party.....

(iv) Comprehensive policy .....