

**KCSE 2017 JKIM JOINT EXAMINATION**

**565/1**

**Business paper 1 Question paper**

**Time: 2 hours**

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

1. State four measures that Kenya can take to solve the problem of unemployment. (4 marks)

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

2. State four principles of insurance. (4 marks)

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

3. State four mailing services that facilitate communication (4 marks)

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

4. State four conditions that must be fulfilled before an insurer can agree to compensate a client. (4 marks)

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

5. State four function of money. (4 marks)

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

6. Outline four disadvantages of using a train as a means of transport. Outline four characteristics of basic wants. (4 marks)

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

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

7. Give four measures that a country may take to correct her balance of payment deficit. (4 marks)

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

8. Outline four circumstances under which manufactures may not sell goods/ services directly to Consumers. (4 marks)

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

9. Outline four factors that influence the amount of money held by an individual for transaction Motives. (4 marks)

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

10. Identify the terms given to each of the following statements as used in business studies. (4 marks)

Statement	Term
a)Transport goods to consumers	
b)A person who uses a good or service	
c)Increase in the usefulness of goods/service	
d) Activity carried out with an aim of making profit.	

11. Outline four circumstances under which differed payment is acceptable to a trader. (4 marks)

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

12. State four measures that the sender of a message should take in order to enhance effective Communication. (4 marks)

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

13. Outline four circumstances under which a perfectly competitive market structure may exist. (4 marks)

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

14. List four benefits that a country would get by encouraging businessmen used to locate Industries in rural areas. (4 marks)

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

15. State four methods that can be used to determine the prices of goods and services in an Economy. (4 marks)

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

16. The following information relates to Wamarwa traders.

	Shs
Opening stock	25,000
Closing stock	200,000
Purchases	450,000
Mark up	25%

Prepare the trading account for the period ended 30<sup>th</sup> June 2016. (4marks)

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17. State four processes through which utility of products can be increased. (4 marks)

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

18. Identify four ways in which consumers can be exploited by traders. (4 marks)

- (i). .....

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

19. Highlight four functions of advertising agencies. (4 marks)

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

20. Outline three advantages of consumer co-operatives. (3marks)

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

21. Highlight four features of subsistence production. (4 marks)

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

22. Outline four gaps in the market that may give rise to a business opportunity. (4 marks)

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

23. Outline four business resources that business can use to enhance its operation. (4 marks)

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

24. State four features of direct production. (4 marks)

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

25. Enter the following transactions in the suitable cash book for Marion stores (5 marks)

1<sup>st</sup> Jan opening balance cash shs.50,000 Bank shs.100,000

