

KCSE 2017 JKIM JOINT EXAMINATION

Kenya certificate of secondary education (K.C.S.E)

NAME.....

INDEX NO.....

SCHOOL.....

SIGNATURE.....

DATE:

565/1

BUSINESS STUDIES

Paper 1

Time: 2 ½ hours

INSTRUCTIONS TO CANDIDATES

1. Write your name, school and index number in the spaces provided above.
2. Sign and write the date of the examination in the spaces provided above.
3. This paper consists of **25** questions.
4. Attempt **ALL** questions in the spaces provided.
5. This paper consists of **7** printed pages.
6. Candidates should check to ensure that all pages are printed as indicated and no questions are missing.

1. Distinguish between the following terms as used in business studies. (4maks)

a) Demand for a commodity.....

b) Human wants.....

c) Human needs.....

d) Scale of preference.....

2. State four various factors which may influence the decision on what goods and services to produce (4 marks)

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

3. State four factors that influence the location of affirm. (4maks)

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

4. Outline the reasons for existences of small scale firms despite advantages enjoyed by the large scale firms (4maks)

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

5. State four ways in which prices are determined in Kenya (4marks)

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

6. State four causes of unemployment in Kenya. (4marks)

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

7. State four circumstances under which a fall in price of a product would not lead to a fall in quantity demanded of the same community (4marks)

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

8. State four disadvantages that an expanding firm may suffer by choosing to localize its operations (4marks)

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

9. Outline four challenges that may be encountered when measuring national income using the output approach (4marks)

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

10. Explain the meaning of the following terms as used in business ownership. (4maks)

- (i) Franchising.....
- (ii) Merger.....
- (iii) Holding company.....
- (iv) Front Office Savings Account (FOSA)
.....

11. State four benefits to a large consumer who buys directly from the producer (4maks)

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

12. Highlight four **ways** of making face to face communication effective. (4maks)

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

13. State four factors that influence the level of national income (4maks)

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

14. Highlight four factors that influence the decision of a firm on what goods and services to produce (4maks)

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

15. Highlight four ways of making face to face communication effective. (4 marks)

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

16. State four disadvantages that an expanding firm may suffer by choosing to localize its operations (4maks)

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

17. Highlight four ways of making face to face communication effective. (4 marks)

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

18. Highlight four advantages of a bonded warehouse to the importer. (4maks)

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

19. Give four benefits of operating a small scale firm (4maks)

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

20. Highlight four advantages of a bonded warehouse to the importer. (4maks)

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

21. State four channels that can be used to distribute locally manufactured goods (4 marks)

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

22. Highlight five advantages of a bonded warehouse to the importer. (4maks)

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

23. 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	

24. Give four disadvantages of along chain of distribution of goods to a buyer (4maks)

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

25. The following balances were extracted from the books of Njeri traders on 31st May 2004. (4maks)

Details

	Shs
Creditors	62,500
Stock	2,000
2 years bank loan	40,000
Bank	160,000
Cash	20,000
Premises	800,000

Required: Prepare his balance sheet. (4 marks)

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