

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 **6** printed pages.
6. Candidates should check to ensure that all pages are printed as indicated and no questions are missing.

1. One of the flagship projects by the Kenyan Government is LAPSSSET and Standard Gauge Railway (SGR). Outline four benefits of the new Railway line to the Kenyan economy. (4marks)

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

2. State four advantages of entrepreneurship in an economy. (4marks)

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

3. Highlight four features of a departmental store. (4marks)

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

4 Outline four advantages of division of labour. (4marks)

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

5. State the meaning of the following terms as used in cash book.

(a) Contra entry (2marks)

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(b) Folio column (2marks)

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6. Outline four differences between commercial banks and non-banking financial institutions. (4marks)

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

7. Name four characteristics of human wants. (4marks)

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

8. Highlight four unethical practices in product promotion. (4marks)

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

9. State four reasons why an entrepreneur would prefer a landscape type of office. (4marks)

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

10. Highlight four circumstances under which the following chain of distribution is appropriate. (4marks)

Manufacturer → Consumer

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

11. State four canons of taxation. (4marks)

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

12. Highlight four differences between bill of exchange and promissory note. (4marks)

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

13. Give four reasons why the governments draw their development plans. (4marks)

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

14. Outline four monetary measures taken by the Central Bank to solve the problem of demand pull Inflation. (4marks)

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

15. **Classify the following taxes as either direct or indirect** (4marks)

taxes	Classification
Sales tax	
income tax	
Custom duty	
Capital gain	

16. Highlight four guidelines that govern the affairs of cooperative societies. (4marks)

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

17. List any four business considerations taken into account when carrying out business opportunity Evaluation. (4marks)

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

18. Highlight four measures the state is putting in place to bring sanity in the matatu transport sector In Kenya. (4marks)

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

19. Identify any four barriers to international trade that imposed by government. (4marks)

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

20. Highlight four features of monopoly market structure. (4marks)

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

21. Highlight four different types of advertisement. (4marks)

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

22. Classify each of the following resource as renewable or non-renewable. (4 marks)

Resources	Classification
Iron	
Coal	
Hydro-electric power	
rubber	

23. Outline the four likely channels of distributing agricultural products. (4marks)

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

24. Give four trends in home trade (4marks)

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

25. The following information relates to the business of Jamesly 2015 (4marks)

May 1st: Cash in hand sh. 23,500 and cash at bank sh. 11,500

May 2nd: Bought goods worth sh.8, 000 in cash

May 4th: Cash sales amounting to sh. 6,900

May 5th: Deposited sh. 2,500 into bank from cash till.

May 7th: Withdrew sh. 3,000 from bank for family use

May 10th: Received a cheque of sh 6,000 from Johnte, a debtor

Required:

Prepare a two column cash book for Jamesly and balance it off.

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