

Name

Index No

Candidates Signature.....

Date

565/1
BUSINESS STUDIES
PAPER 1
JULY 2013
TIME 2HRS

SUPA JET (JOINT EVALUATION TEST)
Business Studies
Paper 1 – 565/1
Time 2hrs

INSTRUCTIONS TO CANDIDATES

1. Write your name and index number in the spaces provided above.
2. The question paper consists of 25 questions.
3. Answer all the questions in the spaces provided.

TOTAL MARKS

	100
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1. State four ways in which the physical environment can impact positively on business. (4 marks)

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

2. State four circumstances under which a partnership form of Business unit can be dissolved (4 marks)

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

3. Define the following terms (4 marks)

- (i) Mortality rate.....
- (ii) Fertility rate.....
- (iii) Birth rate.....
- (iv) Optimum population.....

4. Mention four goals of vision 2030 in Kenya. (4 marks)

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

(iv)

5. State four factors that may determine the mobility of labour. (4 marks)

(i)

(ii)

(iii)

(iv)

6. Outline four features of a bonded warehouse. (4 mark)

(i)

(ii)

(iii)

(iv)

7. State four factors that may determine the amount of money held for transaction motive. (4 marks)

(i)

(ii)

(iii)

(iv)

8. State four reasons why consumers satisfy basic wants before secondary wants. (4 marks)

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

9. State four reasons why the government issues licenses to business persons. (4 marks)

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

10. Outline four criteria used in determining the size of a firm. (4 marks)

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

11. State four types of Direct taxes. (4 marks)

- (i)
- (ii)

(iii)

(iv)

12. Outline four disadvantages of a landscape office layout.

(4 marks)

(i)

(ii)

(iii)

(iv)

13. Highlight four differences between whole life policy and endowment policy. (4 marks)

	Whole life policy	Endowment policy
(i)		
(ii)		
(iii)		
(iv)		

14. Mention the withdrawals and injections in the circular flow of income.

(3 marks)

	Withdrawals	Injections
(i)		
(ii)		
(iii)		

15. State the use of the following documents as used in the international trade. (4 marks)

- (i) Letter of credit.....
- (ii) Bill of lading.....
- (iii) Indent.....
- (iv) Certificate of origin.....

16. Outline four contents of a local purchase order (LPO) as used in Home Trade (4 marks)

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

17. State four emerging trends in the transport sector (4mks)

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

18. State four criticisms of perfect competition market structure. (4 marks)

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

19. The following relates to various types of daybooks indicate the source document for each of them. (4 marks)

	Day book	Source document
(i)	Purchase day book	
(ii)	Sales day book	
(iii)	Purchase return day book	
(iv)	Sales return day book	

20. Fill in the missing figures in the following two columns cash book (4mks)

Two column cash book

Date	Details	Cash	Bank	Date	Details	Cash	Bank
2010		Shs	Shs	2010		Shs	Shs
Sept 1	Bal cld	33470		Sept 1	Bal B		63470
Sept 4	Sales		193470	Sept 8	Cash		43470
Sept 8	Bank	X		Sept 16	Wages	5470	
Sept 15	Alice	_____	<u>73470</u>	Sept 30	Bal cld	<u>Y</u>	<u>Z</u>
		<u>W</u>	<u>266940</u>			<u>W</u>	<u>266940</u>

- W.....
- X.....
- Y.....
- Z.....

21. Highlight four ways in which ethical practices in business ensures that consumers are not Exploited. (4 marks)

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

22. The following table describes various types of inflation. Indicate the appropriate type in the space provided

	Description	Type of inflation
1.	Uneven growth in some sectors of economy which cause rise in prices.	
2.	Increased money supply which increases prices.	
3.	Citizens buying expensive goods from foreign countries which leads to increase in prices.	
4.	Increased loss of factors of production which lead t rise in prices.	

23. Kadogo kiosk sells goods at a mark up Of 20%. Stock on the 1st Jan 2012 was valued at shs 30,000 and on 31st December was worth sh 50,000. The rate of stock turnover was 6 times. Prepare Kadogo kiosk Trading Account for the year ended 31ST December 2012. (5 marks)

24. Outline four circumstances why a business person would prefer face to face communication (4 marks)

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

25. From the following information given below plot a supply curve.

(4 marks)

Price (sh)	Quantity supplied (kg)
40	85
35	70
30	60
25	45
20	40
15	25
10	10

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