

BUSINESS STUDIES

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1. State FOUR features of labour as a factor of production. 4mks*NDI*
2. State FOUR roles of ethics in businesses. 4mks*NDI*
3. List FOUR subjects included in business studies. 4mks*NDI*
4. State FOUR merits of replacing manual systems with automated ones in carrying out office activities. 4mks*NDI*
5. Outline FOUR functions of a market. 4mks*NDI*
6. The national income measure using the expenditure approach is given as $Y=C+I+G+(X-M)$. State what is represented by each of the letters in the equation. 3mks*NDI*
7. Highlight FOUR circumstances under which a manufacturer would sell his products directly to the consumer. 4mks*NDI*
8. State FOUR undesirable effects of inflation to the Kenyan economy. 4mks*NDI*
9. State FOUR characteristics of human wants. 4mks*NDI*
10. State FOUR factors that determine the size of a firm. 4mks*NDI*
11. Highlight FOUR prominent features of a retailer's warehouse. 4mks*NDI*
12. Outline FOUR emerging issues in government and business. 4mks*NDI*
13. State FOUR uses of a credit note in home trade. 4mks*NDI*
14. State FOUR external factors that affect the business. 4mks*NDI*
15. Highlight FOUR advantages of private carriers in transport. 4mks*NDI*
16. Outline FOUR factors that influence the supply of money in an economy. 4mks*NDI*
17. The prospective insured is supposed to disclose all the information about the subject matter of insurance with all honesty. Mention any FOUR types of information to be disclosed 4mks*NDI*
18. With the aid of a diagram, state the effect of an increase in the supply of a product on the equilibrium price and quantity. 4mks*NDI*
19. For each of the following transactions, state whether the transaction will cause an increase or decrease in assets, liabilities and capital. 3mks*NDI*

	TRANSACTION	ASSETS	LIABILITIES	CAPITAL
a)	Borrowed a loan from bank and was issued with a cheque			
b)	Bought furniture for business on credit			
c)	Sold the delivery van for cash			
d)	Withdrew sh.2000 from business account for personal use.			

20. Give the meaning of the following business terms*NDI*
 - a) Debtor*NDI*
 - b) Capital*NDI*

c) Fixed assets *NDI*

d) Liabilities *NDI*

21. Itemise the contents of a statement of account.

22. Use the table below to answer the questions that follow.

4mks

CASH BOOK

Date	Particulars	Cash	Bank	Date	Particulars	Cash	Bank
2/4/96	Bal. B/f	<u>X</u>	90,000				
5/4/96	Sales	8,000		12/4/96	Motor expens	7,000	30,000
13/4/96	Bank(c)	30,000		13/4/96	Cash (c)		
				15/4/96	Salaries	15,000	
				17/4/96	Kibet		16,000
				23/4/96	Bank (c)	20,000	
23/4/96	Cash (c)		20,000				
25/4/96	Sales		40,000		Bal. c/f	16,000	<u>Y</u>
				31/4/96			
		58,000	150,000			58,000	150,000

a) Calculate the missing figures: X Y *NDI*

b) Explain the entries made on the dates specified below *NDI*

(i) 13/4/96 *NDI*

(ii) 17/4/96 *NDI*

23. State FOUR features of incorporated business units.

4mks *NDI*

24. State FIVE ways through which unemployment problem in Kenya can be solved.

5mks *NDI*

25. Highlight FIVE characteristics of under development.

5mks *NDI*