

NAME: ..... INDEX NO:.....

SCHOOL:..... DATE:.....

CANDIDATE'S SIGNATURE:.....

565/1  
BUSINESS STUDIES  
PAPER 1  
JULY / AUGUST 2014  
TIME: 2 HOURS

## NANDI NORTH SUB-COUNTY JOINT EVALUATION 2014

*Kenya Certificate of Secondary Education*  
BUSINESS STUDIES  
PAPER 1  
TIME: 2 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. Answer **all** the questions.
4. **All** answers must be written in the spaces provided in this booklet.
5. Do **not** remove any pages from this booklet.

### FOR EXAMINER'S USE ONLY

<b>Question</b>	1	2	3	4	5	6	7	8	9	10	11	12	13
<b>Marks</b>													

<b>Question</b>	14	15	16	17	18	19	20	21	22	23	24	25	<b>TOTAL</b>
<b>Marks</b>													<b>%</b>

1. Outline **four** disadvantages of containerization as a means of transport. (4mks)

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

2. Name any **four** characteristics of secondary wants. (4mks)

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

3. Name any **four** types of utilities. (4mks)

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

4. Name any **four** sources of business ideas. (4mks)

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

5. Outline any **four** functions of an office. (4mks)

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

6. State any **four** principles of insurance. (4mks)

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

7. State any **four** factors that influence an individual's demand for a commodity. (4mks)

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

8. Name any **four** uses of National Income statistics. (4mks)

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

9. Name **four** types of unemployment. (4mks)

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

10. The financial period of Katwa dress house ends on 31st December every year. On 31st December 2008, the business had the following assets and capital.

	<u>Shs.</u>
Capital	24,000
Stock of goods	1,500
Debtors	2,000
Machines	20,000
Cash	4,000

State the total liabilities of the business. (4mks)

11. State the effect of the following items on owners capital: (4mks)

- (i) Additional Investment:.....
- (ii) Profit:.....
- (iii) Drawings:.....
- (iv) Bank Loan:.....

12. Complete the following table by indicating the account to be debited and the one to credited. (4mks)

TRANSACTION	Account DR	Account CR
(i) Started a business with sh. 50,000 cash	_____	_____
(ii) Received a cheque from a debtor	_____	_____
(iii) Bought office equipment by cheque	_____	_____
(iv) Paid creditor in cash	_____	_____

13. State **four** factors that influence the location of a firm. (4mks)

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

14. State the type of partner described in each of the following statements: (4mks)

- (i) Under eighteen years of age:.....
- (ii) Does not take active part in running of the business:.....
- (iii) Allows his/her name to be used as if he/she is a partner:.....
- (iv) Has unlimited liability:.....

15. Name **four** advantages of human portorage as a means of transport. (4mks)

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

16. Name **four** factors to consider when choosing means of communication. (4mks)

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

17. Name any **four** essentials of warehouse. (4mks)

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

18. Name **four** advantages of bill boards. (4mks)

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

19. Name **four** characteristics of a good Tax system. (4mks)

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

20. Outline **four** importance of entrepreneurship. (4mks)

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

21. Name **four** characteristics of money. (4mks)

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

22. Highlight **four** factors that an individual may consider in evaluating a business opportunity. (4mks)

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

23. State **four** factors that determine the choice of a filing system in an organization. (4mks)

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

24. State **four** circumstances when an organization would prefer to use letters in its official communication. (4mks)

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

25. The government of Kenya can only incur expenditure after careful planning based on certain principles. State **four** canons of the government of Kenya expenditure. (4mks)

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