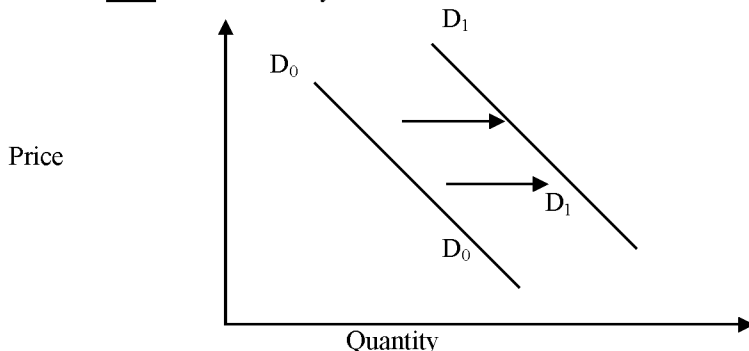


**NANDI EAST, NANDI SOUTH & TINDERET SUB-COUNTIES JOINT EVALUATION 2016**
**BUSINESS STUDIES**
**565/1**
**PAPER 1**

1. Mention **four** small-scale retailers with shops. (4mks)
2. State **four** methods of government participation in business activities. (4mks)
3. Outline **four** importance of intermediaries in the chain of distribution. (4mks)
4. Highlight **four** features of a fixed deposit account. (4mks)
5. State **four** differences between subsistence production and large-scale production. (4mks)
6. Outline **four** documents needed to start a company. (4mks)
7. Mention **four** factors that may have caused the Demand curve to shift to the right. (4mks)



8. Henry's business had a mark-up of 25%. Calculate his margin. (4mks)
9. State **four** reasons why a Business Plan is important to an entrepreneur. (4mks)
10. State **four** elements of transport. (4mks)
11. Outline **four** uses of national income statistics. (4mks)
12. Outline **four** characteristics of underdevelopment. (4mks)
13. Outline any **four** duties of a manager. (4mks)
14. Highlight any **four** benefits of a bonded warehouse to the government. (4mks)
15. Read the following transactions and state the accounts to be debited or credited. (4mks)
  - (i) Started business with sh. 50,000 in cash.
  - (ii) Sold goods worth sh. 30,000 receiving a cheque.
  - (iii) A debtor, Onyango returned goods to the business worth sh. 5,000.
  - (iv) Withdrew sh. 20,000 from the bank for business use.

Transaction	Debited	Credited
(i)		
(ii)		
(iii)		
(iv)		

16. State the functions of the following documents as used in international trade. (4mks)
  - (i) Consumer invoice
  - (ii) Certificate of origin
17. Outline any **four** components of external business environment. (4mks)
18. Outline any **four** barriers to verbal communication. (4mks)
19. Highlight any **four** demerits of a young population. (4mks)
20. Outline any **four** sources of finance to the county government of Nandi apart from taxes. (4mks)
21. List **four** reasons why a business exists. (4mks)
22. Kenya government has embarked on a policy of establishing industries away from each other. State any **four** benefits that this policy may achieve. (4mks)
23. The following information relates to Nyangores Traders as at 31<sup>st</sup> December 2000.

	Shs.
Cash	20,000
Creditors	35,000
Repaid rent	2,000
Bank overdraft	5,000
Premises	50,000
Accrued salary	4,000

Prepare Nyangores Traders Balance Sheet as at December 2000.

24. Outline any **four** current trends in product promotion. (4mks)
25. State any **four** circumstances under which partnership may be dissolved. (4mks)