Name: _____ **Adm No.:** _____

Candidate's Signature: _____ **Date**: _____

565/1
BUSINESS STUDIES
Paper 1
SEPTEMBER 2022
Time: 2 hours

LANJET JOINT EXAMINATION 2022
Kenya Certificate of Secondary Education
565/1
Paper 1
BUSINESS STUDIES
TIME: 2hours

INSTRUCTIONS
Answer ALL the questions in the spaces provided.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

16	17	18	19	20	21	22	23	24	25

TOTAL [ ]

*This paper consists of **8** printed pages. Candidates should check the question paper to ascertain that all pages are printed as indicated and that no pages are missing.*

1. State four types of business activities carried out in Kenya.   (4mks)

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2. Suggest four reasons for the increase in motor cycle accident.   (4mks)

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3. State four circumstances in which sign language may be preferred.   (4mks)

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4. The following information was extracted from the books of Rono traders.
Rate of stock turn-over 3 times
Mark-up 20%
Opening stock sh 60,000
Closing stock sh 120,000
Calculate;
a) Cost of goods sold (2 marks)

b) Gross profit (1 mark)

c) Purchases (1 mark)

d) Sales (1 mark)

5. Suggest four factors that influence the amount of money that individual own for transaction motives.   (4mks)

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6. State the best type of machine one would use to perform the following tasks.   (4mks)

Functions	Name of machine
i) Used to trim papers into desired sizes.	
ii) To post information to ledgers and to prepare payrolls	
iii) To transmit printed message such as letters, maps, diagrams and photographs	
iv) To destroy sensitive but unwanted documents.	

7. Highlight four forms of economic integration.   (4mks)

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8. The equation given below relate to quality demanded and quantity supplied at the equilibrium point.
          (4mks)

$Qde = 4p + 50$
$Qse = 8p + 30$
Determine the equilibrium price and quantity.

9. Indicate whether the following items are falling in real nominal or private accounts.   (4mks)
a) Sales –
b) Carriage inwards –
c) Capital -
 d) Fixtures aid fittings –

10. Outline four factors that influence the choice of product in the market.   (4mks)

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11. Outline four reasons why there is need for ethical practices in business.   (4mks)

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12. Outline the type of unemployment in an economy given by the following statements   (4mks)
i) Unemployment occurs when people lose jobs and go working for new ones –

ii) Unemployment that occurs when people are actively looking for jobs at the existing wage rate but cannot get them -

iii) Unemployment that occurs repeatedly at similar times –

iv) Unemployment that occurs when demand for labour declines due to either changes in the method of production or decrease in the supply of goods and services –

13. Name four essentials elements of transport.   (4mks)

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14. Outline four benefits to a business that uses its own warehouse.   (4mks)

15. Outline four characteristics of property insurance.   (4mks)
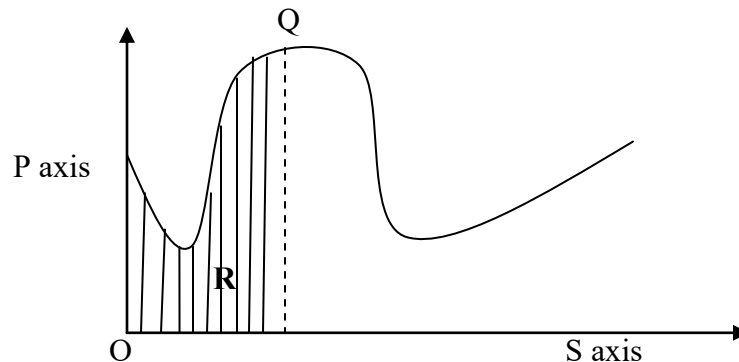
16. Give four advantages of personal selling as a method of sales promotion.   (4mks)

17. Mention four circumstances under which the market may be the main factor in determining the location of a firm.   (4mks)

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18. Outline four ways in which households contribute to national income of a country.   (4mks)

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19. The diagram below represents the relationship between population and income per capita. (4mks)

State what is represented by P and S axis and letter R and S.

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20. State two characteristics of each of the following in the balance sheet. (4mks)

Assets – (i)

(ii)

Liabilities - (i)

(ii)

21. Indicate the type of journal in which each of the following transactions would be recorded.(4mks)

Transaction	Journal
a) Goods previously sold on credit were returned	
b) Goods bought on credit	
c) Goods sold for cash	
d) Motor vehicle sold on credit	

22. Outline four benefit of direct taxation to the government. (4mks)

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23. Chania Traders have a licence to export manufactured goods. Highlight four distribution channels they could use to have their goods reach foreign consumers.   (4mks)

24. State **four** characteristics of labour as a factor of production.   (4mks)

25. State **Four** methods that are used to protect consumers.   (4mks)