GENIUS EXAM 002

NAME _____ INDEX NO. _____

SCHOOL _____ SIGNATURE _____

DATE

_____

565/1
BUSINESS STUDIES
PAPER 1
TIME: 2 HOURS

KCSE PREDICTION 2024

Kenya Certificate of Secondary Education (K.C.S.E)

565/1
BUSINESS STUDIES
PAPER 1
TIME: 2 HOURS

INSTRUCTIONS OF CANDIDATES

a) Write your name, school and index number in the spaces provided above.

b) Write the date of examination and sign in the spaces provided above.

c) Answer **ALL** the questions.

d) **ALL** answers must be written in the spaces provided in this booklet.

e) Do not remove any pages from this booklet.

f) This paper consists of **7** printed pages.

g) Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

FOR OFFICIAL USE ONLY

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

MARKS													

QUESTIONS	14	15	16	17	18	19	20	21	22	23	24	25
MARKS												

GRAND TOTAL	

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1. Highlight **four** advantages of using modern technology in production. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

2. State **four** types of complaints that a consumer organization may receive from consumers. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

3. Outline **four** features of parastatals. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

4. State **four** reasons why ethical practice is necessary in product promotion. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

5. Outline **four** advantages of hire purchase to the buyer. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

6. State the ledger in which of the following accounts are kept. (4 marks)

	Account	**Ledger**
a)	Rent a/c	
b)	Cash a/c	
c)	Debtors a/c	
d)	Creditors a/c	

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7. Outline **four** factors that may make a producer to by-pass a wholesaler when distributing goods. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

8. Country X is experiencing unfavorable terms of trade.

State **four** factors that are likely lead to such a situation. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

9. The following are some of the source documents used in accounting: credit note issued, cash sale receipt, credit note received and invoice issued. Match each of the following books of original entry with the relevant source document. (4 marks)

	Book of original entry	**Source document**
a)	Sales returns book	
b)	Sales daily book	
c)	Purchases return book	
d)	Cash book	

10. State **four** reasons why flower exporters would transport their produce by air rather than by sea. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

11. Outline **four** circumstances that may necessitate re-insurance. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

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12. The following balances were extracted from the books of Saku traders on 31st march 2010.

Fixed assets	300,000
Current assets	123, 700
Creditors	84,500
5 year loan	125,000

Determine the net worth of the business as at 31st march 2010 . (4 marks)

13. State **four** problems associated with development planning. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

14. Outline **four** demerits of indirect tax. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

15. List **four** factors that may limit entrepreneurs in an area. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

16. Outline **four** challenges that may be encountered when measuring national income using the output approach. (4 marks)

i) _____

ii) _____

iii) _____

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iv) _____

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17. The table below represents the demand schedule for tea leaves in 6 months in 2015.

Months	1	2	3	4	5	6
Quantity (kgs)	200	400	600	800	1000	1200

Outline **four** causes of the trend in the table. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

18. State **four** basic features of a market. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

19. Sate **four** external factors that may negatively influence the operation of a business. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

20. Highlight **four** negative effects of inflation. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

21. Outline **four** benefits to a business that uses its own warehouse. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

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22. The following balances were extracted from the books of Wekesa Traders on 31st December 2009.

Item	Sh
Capital	500,000
Cash in Hand	20,000
Building	200,000
Furniture	25,000
Motor vehicle	400,000
Creditors	18,000
Debtors	36,000
Bank	100,000
Bank loan	263,000

Using the above information prepare Wekesa traders trial balance as at 31st December 2009 . (4 marks)

23. Outline **four** reasons why hypermarkets are becoming increasingly popular in Kenya. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

24. The table below shows the age distribution of a country.

Age in Years	% population
0 – 15	45
16 – 55	31
56 and above	24

Highlight **four** negative economic implication of this age distribution to the country. (4 marks)

i) _____

ii) _____

iii) _____

iv) _____

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25. Outline **four** measures that a manager can take to improve the working environment in an office.
(4 marks)

i) _____

ii) _____

iii) _____

iv) _____

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