

Adm. No

565/1

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

SIGNATURE..... <sup>STREAM</sup>  
~~DATE~~.....

**MARANDA HIGH SCHOOL  
KCSE PRE - TRIALS  
JUNE / JULY - 2022**

**BUSINESS STUDIES  
PAPER 1  
TIME: 2 HOURS**

**Instructions to Candidates**

- (a) Write your name and index number in the spaces provided above.
- (b) Sign and write the date of the examination in the spaces provided above.
- (c) This paper consists of 25 questions.
- (d) Answer ALL questions in the spaces provided
- (e) This paper consists of 8 printed pages. Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing
- (f) Candidates should answer the questions in **English**

*For Examiner's Use Only*

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

Questions	16	17	18	19	20	21	22	23	24	25
Marks										

**TOTAL MARKS**

Turn Over

1. Outline four measures which can be put in place by manufacturers to enhance consumer protection (4 marks)

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2. Give four ways by which the government can influence price of a commodity (4 marks)

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3. Mention four circumstances under which a firm would be located near the market for its products (4 marks)

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4. Give four reasons why most developing countries still rely on extractive level of production (4 marks)

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5. Identify four Benefits of a business that uses e-mail in communication (4 marks)

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6. Outline four factors that influence entrepreneurial practices in Kenya (4 marks)

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7. Highlight four circumstances under which producers may prefer to sell their produce directly to the consumers (4 marks)

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8. A consumer organization in your area has invited you to educate its members on various forms of consumer exploitation. Identify four areas which will form part of your highlights (4 marks)

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9. Outline four circumstances under which a sole proprietorship may be dissolved (4 marks)

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10. Give four reasons why warehousing is important to consumers (4 marks)

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11. State the books of original entries in which the following source documents are used (4 marks)

- Incoming Invoice .....
- Incoming Receipt .....
- Outgoing Credit Note .....
- Outgoing Invoice .....

12. Identify four reasons why a country should practice location of industries in one designated area (4 marks)

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13. State four roles played by the middlemen in the chain of distribution (4 marks)

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14. Mention four ways used by an organization to protect its properties and control (4 marks)

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15. State four services offered by advertising agencies (4 marks)

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16. Kenya needs to encourage rail transport. Highlight four reasons in support of the statement (4 marks)

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17. Highlight four services rendered by producer cooperative societies to their members (4 marks)

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18. Fill in the blank spaces marked a, b, and c in the table below (3 marks)

Business	Capital	Assets	Liabilities
P	5,500	16,000	<b>a</b>
Q	9,300	<b>b</b>	15,000
R	<b>c</b>	27,600	16,000

a.....

b.....

c.....

19. State four reasons for government participation in business activities (4 marks)

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20. Kenya has continued to experience persistent increase in the prices of various goods and services. Mention four negative effects of this trend (4 marks)

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21. State four considerations when locating an office (4 marks)

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 22. Identify four effects of declining population in a country (4 marks)

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23. Suggest four reasons why electric trains are not common in Africa (4 marks)

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24. Outline four shortcomings of direct production (4 marks)

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25. The information given below was extracted from the books of Kigali Traders on 31<sup>st</sup> November 2020.

	Kshs
Purchases	260, 000
Opening stock	75, 000
Carriage on purchases	12, 500
Closing Stock	27, 500
Goods were sold at a margin of	25%.

Using the information provided above, prepare Kigali's trading account for the period ended 31<sup>st</sup> November 2020. (5 marks)