**TERM 1 2021 MID TERM EXAM**

**FORM FOUR BUSINESS STUDIES**

**NAME……………………………………………………………ADM NO…………CLASS……………..**

1. For each of the following transaction indicate the source documents from which the following transactions would be recorded. (4mks)

|  |  |
| --- | --- |
| Transaction |  |
| Sale of goods on credit |  |
| Goods returned by customer |  |
| Purchase of goods on credit |  |
| Correction of an undercharge |  |

1. The following transactions were obtained from Adams company in the month of sep 2016

**Sep 16. Sold goods on credit to foster company worth sh. 3742 invoice no 132**

**Sep 20 sold goods on credit to king traders sh 8950 invoice no 133**

**Sep 25 credit sales to simmer enterprises sh 10,000 invoice no 135**

**Sep 27 credit sales to king traders sh 9032 invoice no 135**

Record the above transaction in the relevant journal (5mks)

1. State four features of a supermarket (4mks)
2. State four types of business activities carried out in Kenya (4mks)
3. Indicate the account to debit and an account to credit (4mks)

|  |  |  |
| --- | --- | --- |
| Transaction  | Debit | Credit |
| Started business with sh 70,000 in cash |  |  |
| Sold good on credit worth sh 8000 |  |  |
| Purchased goods on credit from mugure sh 65000 |  |  |
| Withdrew ksh 5000 for own use  |  |  |

1. State any four uses of national income statistics (4mks
2. Outline four methods of reproducing documents (4mks
3. State four factors that influence the location of a firm (4mks)
4. Highlight four reasons that can lead to dissolution of a partnership (4mks)
5. Identify any four roles of intermediaries in the chain of distribution (4 mks)
6. Highlight four factors that may lead to a shift of a demand curve to the right ( 4 mks)
7. Outline five characteristics of economic resources ( 5 mks)