

MANGU MOCK TRIAL 3

BUSINESS STUDIES

565/1

PAPER 1

TIME: 2 HOURS

NAME.....

SCHOOL..... SIGN.....

INDEX NO..... ADM NO.....

Kenya Certificate of Secondary Education.

INSTRUCTIONS

- a) Write your name and admission number in the spaces provided above.
- b) Sign and write the date of examination in the spaces provided above.
- c) Answer all the questions.
- d) All answers should be written in the spaces provided in this booklet.
- e) Candidates should answer all the questions in English.

For Examiner's Use Only

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

Question	14	15	16	17	18	19	20	21	22	23	24	25
marks												

Total marks

INSTRUCTIONS: Answer all the questions in the spaces provided.

1. **List** four external factors that may influence the operations of a business. (4 mks)

.....

.....

.....

.....

2. Outline four features of labour as a factor of [production. (4 mks)

.....

.....

.....

.....

3. **State** whether the commodity or service given in the table below would satisfy a basic human want or a secondary human want. (4 mks)

Commodity Service	Class of human want
Education	
Housing	
A packet of rice	
Entertainment	
Hair cut	
Green Grains	
A car	
Shirt	

4. The information given below was extracted from the books of Birika Traders on 31st December 2023.

Debts	Amount (Kshs)
Furniture & fittings	234,000
Debtors	67,500
Capital	157,900
Commission earned	13,200
Creditors	34,750
Drawings	21,800
5 years Bank loan	114,400
Discount received	3000

Required: Prepare Birika Traders Trial Balance as at 31st December, 2023

5. State any four money transfer facilities offered by commercial banks. (4 mks)

.....
.....
.....
.....
.....

6. Highlight four circumstances under which a firm may be located near the source of raw materials. (4 mks)

.....
.....
.....
.....
.....

7. Outline four channels for distributing locally manufactured products to local consumers.

(4 mks)

.....

.....

.....

.....

8. Apart from the forces of demand and supply, list four other ways in which the price of a product may be determined.

(4 mks)

.....

.....

.....

.....

9. Outline four difficulties that a country with a young population may experience.(4 mks)

.....

.....

.....

.....

10. Identify the source documents from which the information posted in the following journals would be extracted.

Journal	Source document
Sales journal	
Purchases journal	
Cash receipt journal	
Sales journal	

11. State four sources of government revenue.

(4 mks)

.....

.....

.....

.....

12. Outline four features of money that enable it to facilitate the exchange of goods and services. (4 mks)

.....

.....

.....

.....

13. Apart from trains and motor vehicles, state four other means of transporting goods and people on land. (4 mks)

.....

.....

.....

.....

14. List four sources of business ideas. (4 mks)

.....

.....

.....

.....

15. Identify the retailers described in the statements given below.

Statement	Retailer
Sells goods by displaying them along the streets	
Moves from one place to another on foot selling their goods	
Dispenses goods to the use of an operated machines	
Meet on designated days in open grounds to sell their goods	

16. The following transaction was extracted from the books of Kuria business on 31st March

2022

Stock (01/04/2023)	8000
Stock (31/03/2024)	9000
Purchases	4500
Sales	21000

Calculate:

(i) Margin (2 mks)

(ii) Rate of stock turnover (2 mks)

17. Outline four reasons for the popularity of WhatsApp as a trend in communication. (4 mks)

.....

.....

.....

.....

.....

.....

18. State four circumstances under which an insured may not be compensated. (4 mks)

.....

.....

.....

.....

.....

.....

19. State four reasons for privatizing public corporations.

(4 mks)

.....
.....
.....
.....
.....
.....

20. Outline four qualities of a successful sales person.

(4 mks)

.....
.....
.....
.....

21. The table below shows general changes over a period of five years.

(4 mks)

Year	Price(Ksh)	C.P.I.
2010	90.00	100
2011	100.80	
2012	103.50	
2013	105.30	
2014	108.00	

Using year 2010 as the base year, determine the consumer price index for the years 2011, 2012, 2013 and 2014.

22. Outline four functions of World Bank. (4 mks)

.....
.....
.....
.....

23. Highlight four benefits of national income statistics to the government. (4 mks)

.....
.....
.....
.....

24. State four basic features of a market. (4 mks)

.....
.....
.....
.....

25. The following is a format of the debit side of a three column cashbook.

Dr

Date		V	W	X	Y

Name the columns labeled; V, W, X and Y. (4 mks)

- V –
- W –
- X –
- Y -