

1. State four limitation of direct production
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
2. Highlight four roles of an entrepreneur to the economy of a country
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
3. A modern office requires a computer to carry out multiple functions. Highlight any four
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
4. Highlight four reasons why the Mau escarpment is an important Natural resource
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
5. State four reasons why it is important for a business to keep financial Records:
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
6. Highlight the purpose of each of the following documents

Document	Purpose
a) Delivery note	
b) A debit note	
c) An invoice	
d) A statement of account	

7. Juma a newly employed teacher has joined Mwalimu Sacco in Bungoma. Outline four benefits of membership to the society
8. Redraft the following balance sheet correcting any mistakes

Kip's

Balance sheet

As at 31/8/2010

	<u>Ksh</u>	Cash	19000
Debtors	12000	Stock	12200
Capital	40700	Coop loan	50000
Creditors	18000	Bank overdraft	<u>22000</u>
Computers	<u>87500</u>		<u>103200</u>
	158200		

9. Highlight four measures taken by producers to ensure consumers are protected when using their products {4mks}
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
10. State four benefits of a public warehouse to a consumer
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
11. State four advantages of using E-mail for communication by a given enterprise
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
12. State four advantages of using E-mail for communication by a given enterprise {4mks}
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
13. The following information relates to MUSIKO traders for the year ended 31/12/2011

Sales	Ksh800,000
General expenses	ksh120,000
Commission income	Ksh40,000
Margin	20%

**Calculate**

i) Mark-up percentage (2mks)

Net profit for the year ended 31/12/2011 (2mks)

14. State four importance of computing national income statistics in a country such as Kenya

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_
- d) \_\_\_\_\_

15. The following table shows the demand for sugar in a certain town between the years 2006 and 2010

YEAR	QUANTITY DEMAND IN TONS
2006	50
2007	70
2008	85
2009	72
2010	65

State four factors that contributed to the trend in demand for sugar between 2008 and 2010 (4mks)

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_
- d) \_\_\_\_\_

16. State four reasons why it may be necessary for the Government to encourage new firms to be located in the rural areas

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_
- d) \_\_\_\_\_

17. You are to enter up the purchases journal and the returns outwards journal from the following details

2011 October

1.credit purchases from Helen sh20,000

2011 October

3.credit purchases from the following Dan sh12,000

Tom Ksh13,300

2011 October

5.Goods returned by us to Tom sh300

(4mks)

18. Recent data indicates that a large proportion of Kenya's population comprises of the youth the ages of 10 to 20 years. State four benefits of this to the country
19. State four reasons why a country may find it necessary to control its imports
- \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
20. Highlight four characteristics of money
- \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
21. State four challenges being faced by Kenya in achieving its stated goal of vision 2030
- \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
22. Indicate whether the following types of taxes are direct or indirect

Type of tax	State
a)Corporation tax b)Value added tax c)Income tax d)Customs duty	

23. State four recent trends adopted by many firms in product promotion
- \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
24. State four classification of goods and services
- \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
25. State four challenges that a business without a plan will encounter in its operations
- \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_