ASUMBI GIRLS HIGH SCHOOL

PRE-MOCK

MAY-JUNE

2022

**BUSINESS PAPER 1 FORM 4**

1. - If they are perishable

* Made on demand/specification
* If he/she is close to producer
* If the goods are technical
* If he/she is buying large amount

1. - Keeps record, reference

* Is fast
* Easy to use
* Is cheap

1. – Equipment

* Appropriate staff
* Proper building
* Proper recording system
* Appropriate special facilities

1. – Limited partner is not allowed to take part in management

* The death, withdrawal or bankruptcy of a limited partner cannot cause the dissolution of a business
* A person may be as a partner without the consent of existing limited partner.
* Any difference on matters pertaining to business can only be decided by a majority of the general partner.

1. – Costly to construct and maintain

* No close supervision
* Encourage laxity
* A lot of time is wasted by workers moving from one place to other possible misuse of office facilities

1. – Over dependence of foreign aid

* High production growth rate
* Unequal distribution of income
* Low per capital income
* Low level of saving
* Under utilization on natural resources

1. - Banning

* Re-introducing alcoblows
* Ensuring that matatus are not overloaded
* Ensuring that vehicles are fitted with safety belts
* Insist that all matatus should be fitted with speed governors
* Licensing of all PSV vehicles.

1. (a) 7,850

(b) 698,000

(c) 480,000

(d) 132,000

1. (a) Fertility rates

(b) Birth rate

(c) Mortality rate

(d) Migration rates

1. . Nyamu traders

Trading A/C

For the month ended 30th October, 2007

|  |  |
| --- | --- |
| Dr | Cr |
| Opening stock 200,000  Add purchases 500,000  700,000  Less closing stock 300,000  400,000  Gross profit c/d 100,000  **500,000** | Sales 500,000  **500,000** |

1. – Reducing on profit

* Wastage of time
* Conflicts between employees and employers
* Loss of creditors
* Discourage savings

1. - Possibility of double entry

* Estimation of subsistence sector may be difficult
* Hard to collect data on illegal activities
* Difficult to determine output from abroad.

1. – One can send messages that contain photograph

* Ability to communicate to more than one person
* Faster because information is sent at a press of button
* There is evidence of communication
* One can access the message using either

1. – Facilitate access of large market

* Faster way of doing business
* Reduces paper work
* Saves on the cost of sending, receiving and storing information
* One can access important business information which would be used to enhance running of the business.

1. - Price of imports declines while that of export remains constant

* Price of imports remains constant while those of export increases
* Price of imports declines while that of export increases.
* Price of both import and export increases but export increases more

1. - Fines imposed by court on offenders

* Proceedings from sale of government property
* Rent and rates paid for the use of grit property
* Taxes
* Government borrowing
* Dividends and profits earned by the government direct investment

1. General competition refers to competition when products are used for the same purpose eg cinemas and discos while enterprise competition are a king of competition which is found where firm’s product are similar to those of other firms eg local shoes competing with imported shoes.
2. Account debited Account credited
3. Juma a/c debtor Sales a/c
4. Motor van a/c Cash a/c
5. Maina a/c credits Bank a/c
6. Purchase a/c Aku a/c
7. Mara traders

Two column cash book

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Particulars | Cash | Bank |  | Date | Particulars | Cash | Bank |
| July 1  2  25 | Bal b/d  Debtors  Cash (c) | 6,000  6,000 | 50,000  3,000  53,000 |  | July 1  5  15  25  31 | Bal b/d  Rent  Drawing  Bank  Bal c/d | 2,000  3,000  1,000  6,000 | 2,000  5,000  446,000  53,000 |

12 1/3 = (4 marks)

1. – Size of the market

* Nature of the product
* Simplicity of the firm
* Legal constraints
* Rising cost of production
* Flexibility of small firms

1. (a) Bulk jobbers

(b) Mobile wholesalers

(b) Retailers

(d) Roadside sellers

1. – Unreceipted petty payment/receipt

* Cash sales
* Credit purchases
* Returns inwards

1. - Knowledge of their existence

* Knowledge of extremely technology
* Availability of necessary skilled personnel
* Know how using the resource

1. – To crown the insured for losses suffered due to dishonest employee.

* To protect third parties against accidental body injury, damage or loss to protect as a result of connection with insured business.
* To cover loss of property arising from stealing or forceful entry or extra from premises by violent or forceful news.
* To protect workers and domestic servant against injury, sickness, death arising not of their employment

1. – Deterioration in technology

* Increased cost of production
* Future expectation of price increase
* Reduction in the price of goods that are jointly produced
* Setting in of natural calamities eg floods and drought