

FORM 3 TERM 1 OPENER

BUSINESS STUDIES

NAME..... ADM NO.....

CLASS.....

SIGN.....

DATE.....

DURATION: 2 HOURS

SECTION A (Attempt all questions in this section)

1. State 4 reasons why people engage in business (4mks)

i)

ii)

iii)

iv)

2. List the four types of partnerships (4mks)

i)

ii)

iii)

iv)

3. State 4 characteristics of basic wants (4mks)

i)

ii)

iii)

iv)

4. Outline 4 differences between free samples and gifts (4mks)

Free Samples	Gifts
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5. Nakuru wholesalers owned a motor vehicle valued at Kshs. 2,000,000 which they comprehensively insured for Kshs. 1,600,000. The vehicle was involved in an accident and was written off. Determine the amount of money Nakuru wholesalers should expect to get from their insurer (4mks)

6. Classify each of the following production activities as either primary or tertiary (5mks)

Activity	Level of production
Digging clay soil	_____
Construction of a bridge	_____
Selling of a shop	_____
Growing vegetables	_____
Transportation of medicine	_____

7. State any five sources of business ideas (5mks)

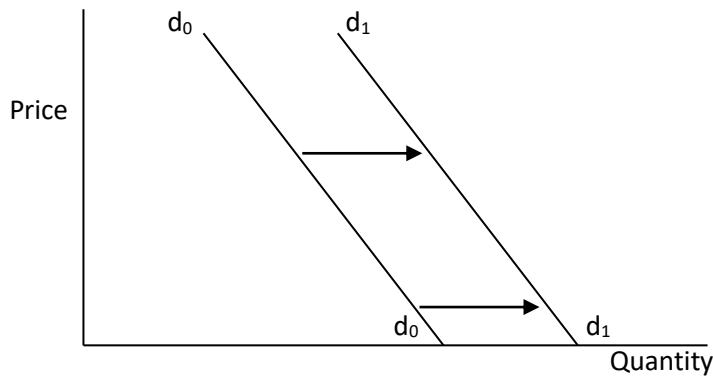
- i)
- ii)
- iii)
- iv)
- v)

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8. List 4 reasons why most firms still prefer closed office layout to open office layout (4mks)
- i)
 - ii)
 - iii)
 - iv)
9. Outline 4 unethical practices that are associated with product promotion (4mks)
- i)
 - ii)
 - iii)
 - iv)
10. State 4 features of supermarkets (4mks)
- i)
 - ii)
 - iii)
 - iv)
11. List any four clauses of memorandum of association for joint stock companies (4mks)
- i)
 - ii)
 - iii)
 - iv)

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12. The diagram below shows a shift in demand curve from d_0d_0 to d_1d_1 .



Identify four factors that have made the demand curve to shift from d_0d_0 to d_1d_1 (4MKS)

- i)
- ii)
- iii)
- iv)

SECTION B 20 MARKS (Attempt any 2 questions in this section)

- 13. Outline five factors that may limit the use of containers as a method of transporting goods in a developing country. (10 marks)
- 14. Explain five essential qualities of a good warehouse (10mks)
- 15. Describe the procedures that should be followed when taking an insurance policy. (10mks)
- 20. Explain five factors considered by the insurer when determining premiums to be charged on a policy(10mks)

END

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