BST F2 M/ SCHEME

*SECTION A Answer all question in this section*

1.-Air

-sunlight

-rain

-oceans

-River

2. -they are too many /endless/unlimited

-they keep on recurring

-resources to satisfy them are scarce

-they change with time, age and gender

3. –regulation

-training

-trade promotion

-provision of public utilities

-enabling environment

4. –Formed and owned by one person/the sole proprietor

-main source of capital is owner’s contribution

-The sole proprietor can get assistance from family members to run

-Decision making is fast

-Few mordalities are required to start

5.

|  |  |  |
| --- | --- | --- |
|  | **EFFECT** | **INTERNAL ENVIRONMENT** |
| (a) | Allows duties to be allocated to the right people thus resulting in higher productivity | Business structure |
| (b) | Helps the business achieve its objectives e.g. higher production level of goods and services | Business structure |
| (c) | Makes employees to acquire norms and code of conduct that is acceptable to all | Business CULTURE |

6.

-A basic factor of production -Productivity can be increased

-Its supply is fixed - Is subject to law of diminishing returns

-It lacks geographical mobility

-Quality is not homogeneous

7. **Functions of a personal secretary**

- Filing information for the boss -Receiving and making calls for the boss

-Attending meetings and writing minutes -Making travel arrangements

-Supervising junior secretarial staff

-Keeping petty cash

-Taking dictation from the boss

8.-supermrkets

-chain stores

-hypermarkets

-Departmental stores-

-mail order stores

9.-warehousing

-banking

-transport

-communication

-insurance

-advertisement

10.  **Qualities of a good entrepreneur**

- Has the desire to achieve - Creative and innovative

-Has the ability to solve problems -Independent

-A risk taker - Persistent and patient

-Is time conscious - Self confident

11.-distribution

-business

-consumer

-production

12. –lumbering

-fishing

-mining

-farming

13. –there is no close supervision of workers

-costly to construct and to maintain

-encourage absenteeism

-a lot of time is taken by officers when moving from one place to another

-encourages laxity in office

-reduces interaction between managements and other employees

-possible misuse of office facilities

14.-ordinary shares

-preference shares

-ordinary shares

-preference shares

15. trade discount=× 10,000=sh 1,000

Cash discount=× 9,000 = sh 450

Amount paid =10,000 –(1,000+450) = sh 8,550

16. –insufficient funds in the account

-signature of the account holder may differ from the specimen in the bank.

-post-dated cheque

-if the drawer has closed his account with the bank

-when the cheque has been altered and the drawer and the drawer has not singed against it.

- Bank learns about death,insanity or bankruptcy of the drawer

- stale cheque issued ,ie a cheque 6 months after the date

17. –internal

-external

-external

-internal

18. –itinerant traders e.g. Hawkers

-roadside sellers

-open air market

-automatic vending machine

19. –cost

-adaptability

-possibility of hiring rather than buying

-Durability

-effect on staff morale

-availability of complementary resources

-availability of manpower

-availability of a room

-security of the equipment

20. -easy savings since the deductions are made through check-off system

-obtaining credit requires few procedures

-**interest charged on the loan is low** compared to other financial institutions

-**loans require no collateral/security**

-**member’s savings are safe** since they are insured with the cooperative insurance company

-in case of death the members beneficiaries do not lose the savings in cooperative nor are they called upon to pay any of the deceased money

-they give different types of loans which is rare with other financial institutions

**Section B**

**Answer any two questions**

*(Points must be well explain to score the other point)*

21. documents used in home trade

a) **catalogue/price list/quotation** ; reply to letter of inquiry outlining goods available and their prices.

b) **acknowledgement note** sent by the seller to confirm that the order is being processed

c) **invoice/ proforma invoice**: requesting for payment for goods sold on credit

d) **credit note** ;sent to the buyer correcting an overcharge in an invoice.

e) **debit note** ; sent to the buyer correcting an undercharge in an invoice

f) **statement of account** ; a copy in the accounts of the buyer disclosing the details of opening balances ,all the invoices issued and all the receipts for payments made.

g) **receipt** ; documents issued to the buyer upon payment for goods .

h) advice note; document sent to buyers informing the buyer that the goods are on the way so that the buyer can prepare to receive them

22. Features of economic resources

a) **scarce in supply** ; they are found in small quantities compared to the may uses

b) **have money value** ; they have a price attached to them in the market

c) **unevenly distributed** ; they are found in different quantities, in different places ,among different people

d) **have utility** ; have the ability to create goods and provide services that satisfy human wants

e) **have alternative uses**

f) **can change ownership**; transferable from one party to another

g) **can be combined** ; they can be put together in different proportions to create goods and services

h) **can be complimentary; di**fferent may be consumed together eg pen with ink

23. Forms of business units

- **sole proprietorship**; business firm owned by one person

- **partnership** ; business unit owned by two and a maximum of 20 except for partnership that provide professional services which have a maximum of 50.

**- co-operatives** ; association of people who come to work together for a common purpose formed by a minimum of 10.

- **limited liability companies** ; formed by a group of people who contribute capital to operate abusiness with the aim of making profitsits a separate legal entity

- **public co-operations** ; organizations formed /controlled by the government more than 50% shares ,performs specific role in the country.

- parastatals ; state corporation fully own by the government formed by an act of parliament