**NAME \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_INDEX NO\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**DATE\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**BUSINESS STUDIES**

**FORM THREE**

**MARCH /APRIL 2019**

**TIME 2 Hours**

**MAU LINK JOINT EVALUATION EXAM 2019**

***Kenya Certificate of Secondary Education (K.C.S.E)***

***INSTRUCTIONS TO CANDITATES***

* **Answer All the questions in sections 1 and 2.**

**SECTION 1**

1. State **four** importance of business studies to a learner. (4 mks)

(i)...........................................................................................................................................

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(ii)..........................................................................................................................................

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(iii).....................................................................................................................................................

(iv)........................................................................................................................................

2. Name **four** essentials of a warehouse. (4 mks

(i)..............................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv).........................................................................................................................................

3. Highlight **four** source of business ideas that one can use. (4 mks)

(i)..............................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)........................................................................................................................................

4. Outline **four** sources of co-operative societies. (4 mks)

(i).........................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)........................................................................................................................................

5. Distinguish between the following:

(i) Producer goods and consumer goods. (2 mks)

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(ii) Free goods and economic goods. (2 mks)

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6. Highlight **four** characteristics of Itinerant traders.

(i)......................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)...................................................................................................................................

7. Identify **four** element of internal business environment that may positively influence the perfomanc of a business. (4 mks)

(i)......................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)........................................................................................................................................

8. Identify the rewards of the following factors of productions. (4 mks)

Factors Reward

(a) Limestone

(b) Doctor

(c) Tractor

(d) Landlord

9. Give **four** situation when oral communication may be used in an office. (4 mks)

(i).........................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv).......................................................................................................................................

10. Outline **four** features of a good filling system. (4 mks)

(i).........................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)......................................................................................................................................

11. State **four** reasons why the government find it necessary to protect consumers from traders. (4 mks)

(i)......................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)...................................................................................................................................

12. State **four** disadvatages of advertising through the television. (4 mks)

(i)......................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)...................................................................................................................................

13. Outline **four** risks against which a shopkeeper may insure. (4 mks)

(i)......................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)...................................................................................................................................

14. State **four** circumstances in which the nature of goods would influence the choice of transport means. (4 mks)

(i)......................................................................................................................................

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(ii)..........................................................................................................................................

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(iii)....................................................................................................................................................

(iv)...................................................................................................................................

15. Outline **four** differences between a good and a service. (4 mks)

|  |  |  |
| --- | --- | --- |
|  | GOODS | SERVICE |
| (a)  (b)  (c)  (d) |  |  |

**SECTION 2 (40 mks)**

16. Study the table below of demand of a product. (10 mks)

|  |  |  |
| --- | --- | --- |
| PERIOD | PRICE/ UNITS | QUANTITY DEMAND/ UNITS |
| July | Sh. 300 | 500 |
| August | Sh. 300 | 400 |
| September | Sh. 300 | 200 |
| October | Sh. 300 | 80 |
| November | Sh.300 | 50 |

(a) Explain **five** factors that may have led to the trend above. (10 mks)

(b) Explain **five** factors to consider when selecting a photocopier for office use. (10 mks)

17. (a) Explain **five** circumstances under which a limited liability companies may be dissolved. (10 mks)

(b) Explain **five** roles of insurance to the economic development of Kenya. (10 mks)