

F CUS A365

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FORM 3 TERM 1 Business ppi EXAMINATIONS 2018

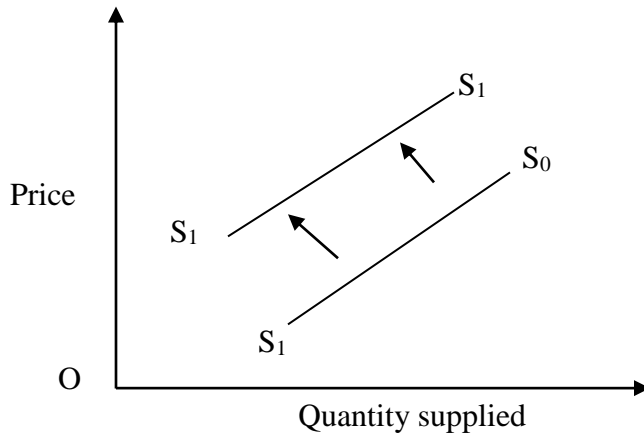
NAME: _____ ADM NO: _____ CLASS: _____

INSTRUCTIONS TO CANDIDATES:

1. Write your Name and Admission Number in the spaces provided above.
 2. Sign and write the date of this examination in the spaces provided above.
 3. Answer all the questions.
 4. All answers must be written in the spaces provided in this booklet.
 5. Do not remove any pages from this booklet.
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1. State **four** features of a good filling system. (4mks)
 - (i)
 - (ii)
 - (iii)
 - (iv)
2. State **four** distinctive features of a parastatal. (4mks)
 - (i)
 - (ii)
 - (iii)
 - (iv)
3. Give **four** reasons that make insurance companies decline to insure acts of nature. (4mks)
 - (i)
 - (ii)
 - (iii)
 - (iv)
4. State **four** measures that the Kenya government may take to attract firms to an area. (4mks)
 - (i)
 - (ii)
 - (iii)
 - (iv)
5. Outline **four** factors to be considered when choosing a channel of distribution. (4mks)
 - (i)
 - (ii)
 - (iii)
 - (iv)
6. List any **four** types of partners. (4mks)
 - (i)
 - (ii)
 - (iii)
 - (iv)

7. The diagram below shows a shift in supply curve from S_0S_0 to S_1S_1 .



State **four** factors that may account for the above shift. (4mks)

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

8. Give **four** basic characteristics of a viable business idea. (4mks)

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

9. Outline **four** disadvantages of personal selling. (4mks)

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

10. From the following list of items, classify them as either internal or external business environment by ticking (✓) (4mks)

	Item	Internal	External
(i)	Invested funds		
(ii)	Technology applied		
(iii)	Employees		
(iv)	Cultural factors		
(v)	Tools		
(vi)	Entrepreneur		
(vii)	Government laws and regulation		
(viii)	Inflation		

11. The following features relate to warehousing. Indicate the most suitable type of warehouse described. (4mks)

(i) Used to store locally produced goods until excise duty is paid.

.....

(ii) Mostly situated in entry points and are available at a fee.

.....

(iii) Warehouse used to store non-dutiable goods originating from within or outside the country.....

(iv) Warehouse designed to suit one's particular needs.

.....

12. Highlight **four** advantages sellers have by changing from “over the counter” service to “self-service” for customers. (4mks)

(i)

(ii)

(iii)

(iv)

13. Outline **four** current trends in the transport sector in Kenya. (4mks)

(i)

(ii)

(iii)

(iv)

14. Highlight **four** measures consumers may take to satisfy their unlimited wants using limited resources. (4mks)

(i)

(ii)

(iii)

(iv)

15. State **four** benefits of indirect production to a country. (4mks)

(i)

(ii)

(iii)

(iv)

16. State the four assumptions of the circular flow on income in a two sector economy. (4mks)

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

17. Highlight **four** reasons why it is important for a business to develop effective communication. (4mks)

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

18 .State four reasons why the government issues licenses to business persons. (4 marks)

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

19. Outline four criteria used in determining the size of a firm. (4 marks)

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

20. State four major types of product markets. (4mks)

- (i)
- (ii)
- (iii).....
- (iv).....

21. Matano traders received a cheque from a debtor but on presenting the cheque to bank for encashment, the cheque was dishonored. Give **four** reasons that could have led to the above occurrence (4 marks)

- (i)

- (ii)
- (iii).....
- (iv).....
- (v)
- (vi).....

22. State **four** circumstances under which a firm may choose to operate on small scale basis. (4 marks)

- (i)
- (ii)
- (iii).....
- (iv).....

23. Give **four** features of departmental stores. (4mks)

- (a) _____
- (b) _____
- (c) _____
- (d) _____

24. Highlight **four** roles of an entrepreneurship to the economy of a country. (4mks)

- (a) _____
- (b) _____
- (c) _____
- (d) _____

25. A group of businesspeople from a certain town have formed a cartel. State **four** reasons that could have led them to take such an action. (4mks)

- (a) _____
- (b) _____
- (c) _____
- (d) _____