**NAME:…………………………………………………………… Adm .No………………..**

**SCHOOL:………………………………………………….……DATE……..…………………………….**

**SIGNATURE…………………………**

BUSINESS STUDIES

**FORM 1**

**THIRD TRIAL 2017**

2 hours

**Kenya Certificate of Secondary Education,**

BUSINESS STUDIES

**FORM 1**

**INSTRUCTIONS TO CANDIDATES**

*Answer all questions in the spaces provided in the question paper*

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Questions | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| Marks |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Questions | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| Marks |  |  |  |  |  |  |  |  |  |  |

1. Define the following terms as used in business studies. (4mks)

a) Production……………………………………………………………………………………………………………………………………………………………………………………………………………………….....

b) Distribution………………………………………………………………………………………………………………………………………………………………………………………………………………………..

c) Consumption………………………………………………………………………………………………………………………………………………………………………………………………………………………..

d) Business……………………………………………………………………………………………………………………………………………………………………………………………………………………….....

2. Outline four reasons as to why business studies is offered to secondary students. (4mks)

a) ……………………………………………………………………………………………………………………………………………………………………………………………………………………….....

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3. Outline four ways by which an entrepreneur can improve internal operations of a business. (4mks)

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4. State four types of business activities. (4mks)

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5. Mention four types of utility. (4mks)

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6. Outline four types of business resources. (4mks)

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b)

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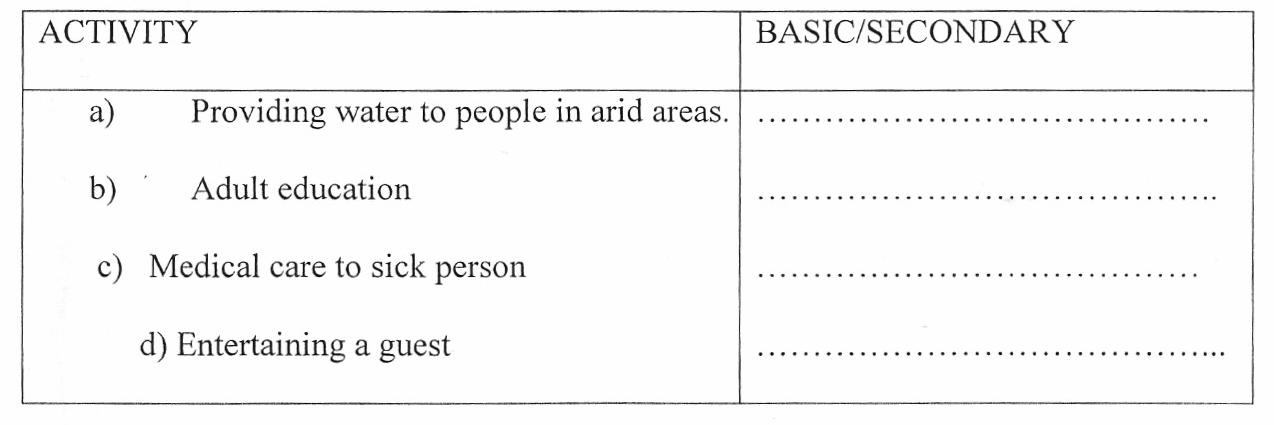
c)

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7. State whether each of the following activities would satisfy basic or secondary needs. (4mks)



8. Give four components business studies. (4mks)

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9. Outline four importance of business to a society. (4mks)

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10. Highlight four advantages of division of labour and specialization (4mks)

a) ………………………………………………………………………………………………………………………………………………………………………………………………………………………...................

b) ………………………………………………………………………………………………………………………………………………………………………………………………………………………...................

c) ……………………………………………………………………………………………………………………………………………………………………………………………………………………...................

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11. Outline four ways by which a well laid business structure can lead to business success. (4mks)

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c) ………………………………………………………………………………………………………………………………………………………………………………………………………………………...................

d) ………………………………………………………………………………………………………………………………………………………………………………………………………………………...................

12. Highlight four benefits of indirect production to a society. (4mks)

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13. Highlight four factors that make up the external business environment. (4mks)

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14. Define the following terms. (4mks)

a) Scarcity

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b) Choice

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c) Scale of preference.

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d) Opportunity cost

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15. State four characteristics of human wants. (4mks)

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16. Outline four characteristics of land as a factor of production. (4mks)

a)

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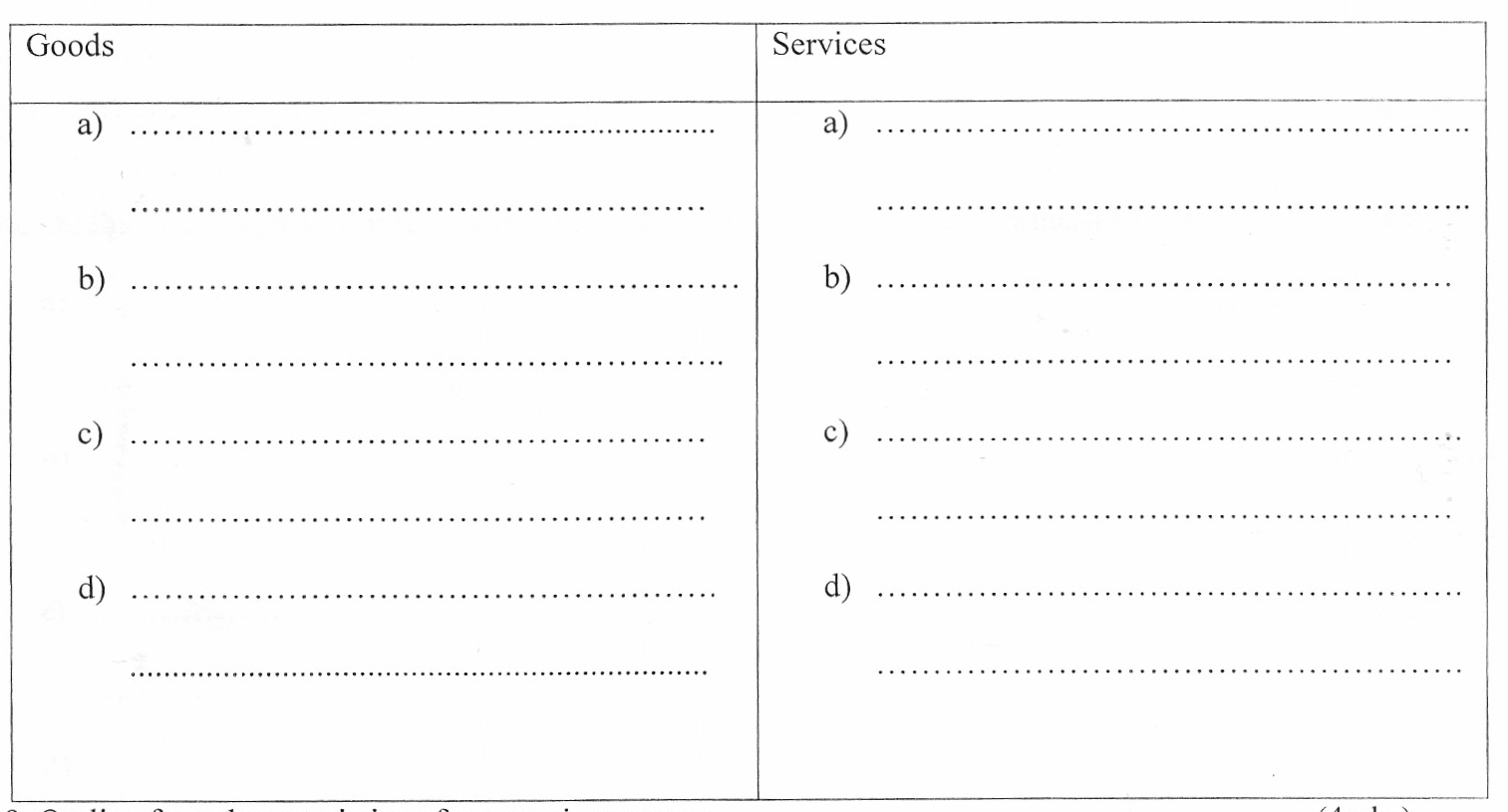
b)

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c)

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Give four differences between goods and services (4mks)



18. Outline four characteristics of economic resource. (4mks)

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c)

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d)

19. Give the difference between: (4mks)

a) Consumer goods and producer goods

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b) Material and non-material goods.

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20. Outline four reasons why Kenya should exploit the oil discovered in Northern Kenya. (4rnks)

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21. Give four characteristics of subsistence farming in Kenya. (4mks)

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22. List four occupations found in the secondary level of production. (4mks)

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b)

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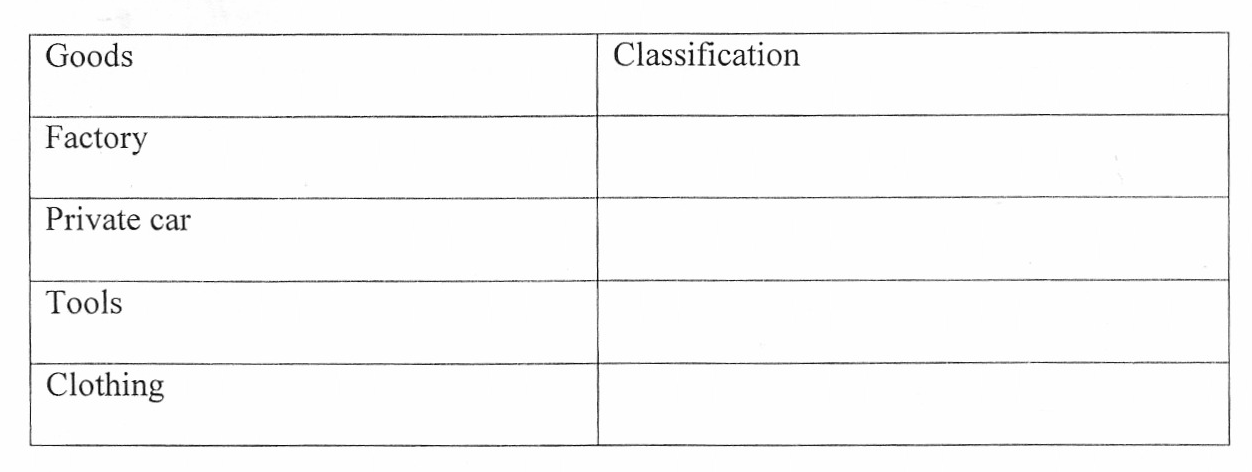
c)

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23. Classify each of the following goods as either producer or consumer. (4mks)



Name four commercial services which are useful to the manufacturer. (4mks)

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b)

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25. Classify the following as either Renewable or Non Renewable resources. (4mks)

