

END OF TERM 1 EXAMS

BUSINESS STUDIES

FORM THREE

PAPER 1

TIME: 2 HOURS

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

SIGN..... INDEX NO:.....

1.State four factors that determine the period which documents should be stored **(4mks)**

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2.In the table below identify the type of utility for each circumstance (4mks)

Processing and packing of sugarcane in a sugarcane in a sugarcane factory	
Selling shoes in a market	
Transporting milk from Kiambu to Thika	
Storing goods in a warehouse	

3.Highlight four limitations of using consumer initiated methods in consumer protection **(4mks)**

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4.Highlight five ways in which consumer benefits from warehousing **(5mks)**

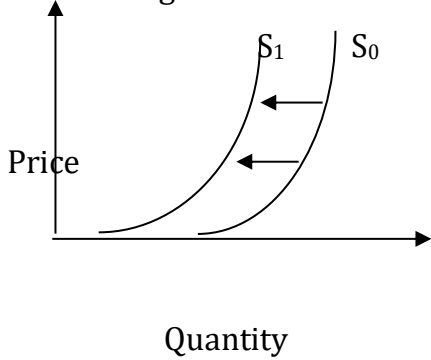
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5.Identify four situations when deferred payments would be used **(4mks)**

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6.The figure below shows a shift in supply.

State four possible causes that might have led to such a situation (4mks)



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7.Identify four factors that affect the circular flow of income **(4mks)**

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8.A resource is something used by the business to achieve an objective. Identify four resources found in a business (4mks)

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9.Outline four features of monopoly structure of market **(4mks)**

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10.Outline four features of an insurable risk **(4mks)**

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11.Outline four measures that an employer can take to improve his/ her human resource **(4mks)**

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12.Highlight four benefits experienced by a holder of a credit card **(4mks)**

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13.Identify four reasons why one would prefer to use air transport to transport goods from one place to another **(4mks)**

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14. Outline four features that constitute a market **(4mks)**
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15. Give four reasons why one would prefer to buy food first before buying a television **(4mks)**
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16. State four contents of a cover note **(4mks)**
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17. Identify the type of advertisement described below (4mks)

Any mention of a person/ firm or media	
Any paid form of impersonal presentation of a product made through mass communication media.	
Presentation of a commodity to prospective buyers, face to face by a sales person with an aim of making sales	
Process of information with a view of creating, promoting or maintaining good and favorable image of a firm	

18. Identify four gaps in a market that may bring a business opportunity in a market **(4mks)**
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19. Identify four factors that may determine location of an office **(4mks)**

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20. State five reasons why a firm may decide to remain small in an economy dominated by large firms **(4mks)**

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21. Outline four measures an office may take to safeguard the organizations property **(4mks)**

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22. Outline four circumstances under which per capital income statistics would be a good indicator of the welfare of the citizen of a country **(4mks)**

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23. Outline four factors that may constitute an efficient transport system **(4mks)**

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24. Outline four factors that may account for predominant direct production in a country (4mks)

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25. In the space provided, indicate with a tick whether the information relates to preference shares or ordinary shares (3mks)

Statement	Preference	Ordinary
Represent real owners of company		
Rate of dividend is fixed		
Has voting right		
Redeemable		
May be cumulative		
Considered last in liquidation		

Have A Nice Holiday

Stay Safe