**KIJISET BUSINESS PAPER ONE MARKING SCHEME.**

1.To make profit.

.To create employment opportunities.

.To make proper use of leisure time.

.To be your own boss

.To make use of idle resources.

.Enables an individual to get what he does not produce.

2.Place utility.

.possessive utility.

.Time utility.

.Form utility.

3.Ensures steady supply of goods.

.Ensures price stability.

.Encourages large production.

. Ensures continuity in production.

4.F.C=0.C+N.P+ADDITIONAL INVESTMENT-[DRAWINGS +LOSSES.]

Drawings= 12x5000=60000

f.c=940000+420000-[60000+20000]

f.c=sh.1360000.

5.TO improve living standards of the people

.Reduce unemployment.

.To reduce income and wealth inequalities.

.Provide environment and technology advancement.

.To provide variety of goods and services.

.To improve efficiency in production for self sufficiency.

.To diversify the economy.

6.Bulky goods needs a shorter channel to reduce on cost of transport.

.Perishable goods need a shorter channel

.Urgently require goods needs a shorter channel to reach on time.

.Fragile goods needs a shorter channel as they break easily.

.Highly valued goods requires highly secured shorter channel

.Technical goods needs a shorter channel as they need demonstrations.

7.When the other party is dump/deaf.

.When there is language barrier.

.When in noisy place.

.When there is need to reinforce spoken word.

.When there is need to maintain secrecy.

.When other people need not to be disturbed.

8 .Terminals.

.Way.

.Method of propulsion.

.Unit of carriage.

9. By boycotting the illegal products.

.Carrying out peaceful demonstrations against their rights violation.

.Forming and joining consumer assertions to air their problems as one.

.Reporting cases of violation to the relevant authorities.

10.

PEMBE TATU TRADERS

BALANCE SHEET AS AT 31/12/2010

|  |  |
| --- | --- |
| Fixed Assets  Furniture 50000  Current Assets  Stock 5000  Debtors 7000  Cash 9000. | Capital 66000  Short term liabilities.  Bank overdrafts 5000 |

71000 Sh. 71000

11.Expose them to modern development in business management.

.Expose them to government policies regarding business activities.

.Inform them 0n the available risky but profitable business activities.

.Educate them on how to minimize input in business and maximize output.

.To identify and discuss possible challenges in business.

.Educate them on efficient method of operating the business.

.Impart proper business ethics.

12.a Receipt issued.

.b Invoice issued.

.Credit note issued.

.Cash deposit slip issued.

13.There are many buyers and sellers.

.Sellers offer differentiated products.

.No barrier to leave or enter.

.Buyers and sellers have perfect market knowledge.

.No single firm has a control over factors of production.

14.Only acceptable consumable should be used in the machines.

.They should be assigned to particular persons for accountability.

.Should be regularly serviced.

.Should be regularly serviced by a qualified personnel.

.Should be covered to a void dust.

.Should be wiped regularly to remove dust.

15.Name of the business.

.Products to be sold.

.Personnel to manage the business.

.Amount of finance required.

.Market to be served.

.Summary of the plan.

.Mission and vision of the firm.

16.Level of individual income.

.Cost of living.

.Number of dependants.

.Ones lifestyles.

.Possibility of getting credit.

.How regular the income is.

17

USHINDI TRADERS.

TRADING ACCOUNT FOR THE YEAR ENDED 30/6/2018

|  |  |
| --- | --- |
| Opening stock sh.120000  Add purchases. sh.650000  Less returns outwards sh.40000  Net purchases sh. 730000  Less closing stock. Sh.100000  Cost of goods sold Sh.630000  Gross profit c/d Sh.270000 | Sales 900 000 |
| Sh.900,000 | Sh.900,000 |

|  |
| --- |
| Gross profit b/d 270,000 |

18.High dependency ratio.

.Low labour supply.

.High unemployment rate.

.Diversion of government expenditure.

.High social evils.

.Reduced savings and investments.

19.When members voluntarily agrees to dissolve the company in a general meeting.

.When the company is declared bankrupt.

.Where the law renders the company activities illegal

.When the company acts ultraviresly.

20.They will supply goods themselves.

.They will bear risks themselves.

.Will experience shortage of storage space.

.Will carry out market research themselves.

.Will engage in product promotion themselves.

.Will experience cash shortage for their current expenditure.

21.Economy is closed.

.There is no government intervention.

.Households spend all their income on goods and services provided by the firm.

.There only two key players in the economy

.Firms spend all their incomes to pay for factors of production from house holds.

22.Decrease in consumer income

.Increase in price of goods and services.

.Decrease in population.

.Negative tastes and preferences.

.Unfavorable government policies

.Decrease in price of close substitutes.

.Increase in price of close complements.

23.Scarce in supply

.Have utility.

.Have alternative uses.

.Can be combined to produce goods and services.

.Can be complementary.

.Have money value.

24.One can do without.

.Can be postponed.

.Satisfied after primary wants

.Make ones life more comfortable.

.Are not felt needs.

25.From taxes.

.Internal and external borrowing.

Interests from loans.

From rent and rates

Sale of government proceeds.

Donations from central government.

.License fee.

Fines and fees from law offenders.