**MID TERM 3 2022 EVALUATION TEST**

**BUSINESS STUDIES FORM ONE**

**NAME ……………………………………………………………….ADM……………CLASS…………**

Answer all questions

1.Tick to indicate the type of mobility the following factors of production take. (4mks)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Geographical** | **occupation** | **Vertical** | **Horizontal** |
| **Labour** |  |  |  |  |
| **Land** |  |  |  |  |

2.State four functions of an office. (4mks)

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3.Outline two differences between a credit invoice and a proforma invoice. (2mks)

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4.Highlight two distinguishing features between a bill of exchange and promissory note. (2mks)

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5.State the following documents source origin. (5mks)

|  |  |
| --- | --- |
| **Document** | **Sources** |
| 1. I. O.U |  |
| 1. Promissory note |  |
| 1. Credit note |  |
| 1. Bill of exchange |  |
| 1. Catalogue |  |

6.Assuming you start a home business dealing with cakes highlight four reasons that would make you use e – commerce. (4mks)

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7.State four source of business ideas. (4mks)

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8.State four ways to increase utility. (4mks)

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9.State four characteristics of land as a factor of production. (4mks)

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10.State any four means of payments. (4mks)

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11.Define the following terms (4mks)

a)Commerce…………………………………………………………………………………………………………………………………………………

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

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

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d)Office practice ………………………………………………………………………………………………………………………………………….……………………………………………………………………………………………………………………………………………………………………

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

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13.Highlight four micro- environment that can make a firm to fail (4mks)

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14.State the factors that limit the number of entrepreneur in an area (4mks)

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15.Classify the following as either renewable or non-renewable resources (4mks)

|  |  |
| --- | --- |
| Sunshine |  |
| Building stones |  |
| Furniture |  |
| Crude oil |  |

16.Classify the following goods as either consumer or producer goods (4mks)

|  |  |
| --- | --- |
| Matatu |  |
| Factory |  |
| Shoes |  |
| Machines |  |

17.Give four circumstances under which business organization may decide to dispose off an office machine (4mks)

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18.Classify each of the following as either office etiquette or personal attribute. (4mks)

|  |  |
| --- | --- |
| Physical appearance |  |
| Hygiene |  |
| Honesty |  |
| Punctuality |  |

19.Outline four features of a supermarket (4mks)

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20.Highlight four benefits of using electronic filing system (4mks)

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21.State four characteristics of direct production (4mks)

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22.Explain any five characteristics of an entrepreneur (5mks)

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23.Highlight five differences between open plan office lay out and enclosed office lay out(5mks)

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24.State the reward for this factors of production (4mks)

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

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

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

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

25.State five benefits of trade to a country (5mks)

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