**END OF TERM 3 EXAMINATION 2022**

**BUSINESS STUDIES PAPER ONE**

**TIME.2hrs**

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

1 a) Outline four reasons why organizations need to safe keep documents in files (4mks)

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2.Give the four components of business studies (4mks)

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3.A business is expected to be socially responsible to various groups such as customers, employees, government, public and suppliers. Indicate against each statement the most appropriate group (5mks)

|  |  |
| --- | --- |
| Statement  | Group  |
| i)Fair remuneration |  |
| ii)Timely tax returns |  |
| iii)Fairness in tender allocation |  |
| iv)Equal job opportunities |  |
| Quality products |  |

4.Use the table below to outline four differences between basic wants and secondary wants

(4mks)

|  |  |
| --- | --- |
| Basic wants  | Secondary wants |
|  |  |
|  |  |
|  |  |
|  |  |

5.Identify three activities in the extractive level of production (4mks)

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6.Outlinefour ways in which partners may be classified (4mks)

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7.Highlight four characteristics of mail order store (4mks)

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8.Outline the meaning of the following terms as used in accounting (4mks)

i)Network of a business ……………………………………………………………………………………..

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ii)Business transaction ……………………………………………………………………………………..

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iii)Cash transaction ……………………………………………………………………………………..

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vi)Credit transaction ……………………………………………………………………………………..

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9.Statefour main factors that may limit the level of a country’s national income. (4mks)

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10.Identify four ways in which a business may be of benefit to people in the surrounding area (4mks)

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11.State the effect of each of the following transaction on the balance sheet by writing increase or decrease or no effect in each case

|  |  |
| --- | --- |
| Transaction  | Effect  |
| a)Bought machinery on credit |  |
| b)withdrew cash from the business for personal use |  |
| c)Purchased stock in cash |  |
| d)Paid outstanding by cheque |  |

12.State four ways of increasing efficiency and effectiveness of human porterage

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13.The following information relates to Makuyu Traders. Determine the missing figures. (3mks)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Assets  | Liabilities | Capital |
| a) | 50000 | 70000 |  |
| b) | 320000 |  | 280000 |
| c) |  | 14360 | 12000 |

14.Post the following transactions in the ledger books of Embakasi traders (4mks)

March 1/2013 commenced business with sh. 150,000 cash at bank

March 5/2013 bought machinery in credit for sh. 9500

March 7/2013 withdrew sh 5000 from bank for office use

March 8/2013 paid sh 3000 cash to creditor

15.Give four reasons that make insurance companies decline to insure acts of nature (4mks)

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16.Name 4 sources of business ideas. (4mks)

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17.State 4 office etiquette of a business person. (4mks)

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18.Mention four main types of demand. (4mks)

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20.Name 4 methods of government involvement in business (4mks)

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21.Name 4 types of public utilities. (4mks)

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22.Name 4 barriers of effective communication. (4mks)

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23.Name 4 types of life assurance contracts (4mks)

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24.Name 4 characteristic of a good filing system. (4mks)

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25.Give 4 characteristics of oligopoly market structure. (4mks)

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