**NAME ----------------------------------------------------------------------- INDEX NO-----------------------------------**

**DATE\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ CANDIATES SIGNATURE \_\_\_\_\_\_\_\_\_\_\_\_\_**

**565/1**

**BUSINESS STUDIES**

**PAPER 1**

**TIME: 2HRS**

**INSTRUCTIONS TO CANDIDATES**

* Write your Name and index No in the spaces provided
* Answer all the questions
* All answers must be written in the spaces provided

**This paper consist of 7 printed pages candidates should check the questions paper to ascertain that all the pages are printed as indicated and that no questions are missing**

**ANSWER ALL THE QUESTIONS**

1. Name the discipline described below that is part of the subject Business Studies (4mks)
2. The diagram below shows a shift of the demand give of a commodity from dodo to d1d1. Outline any four factors that could have led to the shift (4mks)

 d1 do so

 price (sh)

9

so d1 do

 quantity

1. Highlight four factors that may make communication in an organization to be ineffective (4mks)
2. Give four circumstances under which a cooperative society may be dissolved (4mks)
3. Outline any four characteristics of an imperfect competition market (4mks)
4. Write down the meaning of the following terms as used in business (4mks)
5. Give four benefits of electronic filing in an office (4mks)
6. Give four reasons why business firms advertise their products (4mks)
7. Mr Kigen is the managing director of Mbau furniture ltd. Which has a large, well equipped workshop with expensive machines. The company handles large sums of money. Outline four insurance policies that the company may have (4mks)
8. Outline four benefits to a firm that uses modern technology in its production activities(4mks)
9. Highlight four benefits to a retailer who uses a public warehouse to store goods (4mks)
10. A business wishes to communicate the arrival of much waited stock of goods to its customers. Give four reasons why it might describe to write a short text message(sms) to the customers instead of a business letter (4mks)
11. Outline any four advantages of using intermediaries in the chain of distribution (4mks)
12. List down four assumptions of the circular flow of income in a two sector economy (4mks)
13. Give any four challenges faced by human beings in their endevour to satisfy human wants (4mks)
14. Highlight any four benefits that the recently launched standard gauge railway from Mombasa to Kisumu would bring to Kenya’s economy (4mks)
15. Name any four occupations that are found at the extractive level of production (4mks)
16. Outline any four advantages of small-scale retailers over large-scale retailers (4mks)
17. Highlight any four methods used to determine prices of goods and services in the economy (4mks)
18. Outline any four challenges that entrepreneurs face in Kenya (4mks)
19. Highlight four characteristics of free resources (4mks)
20. Give four advantages of self employment (4mks)
21. Outline any four duties of an office receptionist (4mks)
22. Name the types of advertising that are described below (4mks)
23. Brand name and other features of the brand features more prominently **–**
24. Advertising that aims at popularizing a new product –
25. Advertising that popularizes the business organization **–**
26. **U**sed by organization that deals with similar products to convince potential customers to buy their products and not the other **–**
27. Highlight any characteristics of subsistence production in Kenya (4mks)