

NAME.....M/S.....ADM NO.....STREAM.....

BUSINESS STUDIES

FORM THREE TERM 2 END TERM EXAMS 2025

ANSWER ALL QUESTIONS

1) State four importance of learning business studies to a society.(4mks)

- create employment to society.
- equip society with skill and knowledge to start business.
- It help the society to appreciate the role of business in society.
- It help the society to appreciate the role of government in business.

2) List of four office etiquette that office messenger should possess.(4mks)

- should be punctual
- should be respectful.
- should be polite
- should be loyal.

3) Highlight three activities carried out in a warehouse.(3mks)

- Receiving goods
- Storing goods
- Releasing goods

4) List four components under economic environment that will affect business negatively.(4mks)

- Inflation
- Decrease in level of consumer income.
- Increase in interest rates.
- Increase in taxes.

5) Highlight four types of debantures in kenya.(4mks)

- Redeemable debantures
- Irredeemable "
- mortgage "
- Naked "

6) State four ways which traders can exploit consumers.(4mks)

- overpricing.
- false advertisement.
- wrong quality.
- wrong quantity.

7) List four characteristics of secondary wants.(4mks)

- one can do without.
- They are not felt wants.
- They are satisfied last after basic want.
- They can be postponed.

8) State four examples of industries in Kenya.(4mks)

- sugar industry.
- Banning industry.
- shoe industry.
- Iron industry.

9) Outline four negative implications of production activities.(4mks)

- air pollution.
- water pollution.
- Noise pollution.
- solid waste pollution.

10) Highlight four occupations under tertiary level of production.(4mks)

- Nursing.
- Teaching.
- shavings.
- Retailing.

11) List four characteristics of enclosed office layout.(4mks)

- occupied by one or two people.
- conducive working environment.
- less noise.
- less interruption from colleagues.

12) Highlight four problems that a businessperson may encounter when operating business without warehouse.(4mks)

- Goods may be damaged.
- Goods can lose quality.
- Goods may be stolen.
- May not be able to meet unexpected demand.

13) State four machines found in mailing office.(4mks)

- Folding machine.
- Franking machine.
- Sorting machine.
- Letter opener.

14) Outline four functions of commercial attaches.(4mks)

- Explore and identify new markets for exports.
- Select buyers, agents and distributors in home country export.
- To research and analyse market for exports for home country.
- To keep statistics of volume and value of products from home country.

15) State four reasons why government issue license to business people.(4mks)

- To control number of businesses.
- To earn revenue.
- To ensure that there is no illegal businesses.
- To control goods entering and leaving the country.

16) Highlight four documents used in home trade at delivery stage.(4mks)

- Delivery note.
- Goods received note.
- Proforma invoice.
- Advice note.

17) List four factors one will consider when choosing a channel of distribution.(4mks)

- Nature of product.
- Nature of market.
- Role of intermediaries.
- Govt policy.

18) State four advantages of using cheque as a mean of payment.(4mks)

- Is more secure than coins and notes.
- Can be used to make ^{payment of} large sum of money.
- It is negotiable.
- Payment is made without travel.

19) List four characteristics of general insurance.(4mks)

- Cannot be assigned to beneficiaries.
- Has no surrender value.
- It is a contract of indemnity.
- It is a short term contract.

20) State four advantages of delocalization.(4mks)

- Creates employment in rural areas.
- provide market for local raw material.
- Reduces rural-urban migration.
- Lead to development of social amenities.

21) Outline four circumstances under which one may prefer to transport gold by air than train transport.(4mks)

- If goods are highly perishable.
- When distance is long.
- If goods are urgently needed.
- When goods are light not heavy.

22) State four trends in product promotion.(4mks)

- use of internet.
- use of mobile phone.
- Intensifying personal selling.
- use of promotion convoy.

23) Distinguish between demand schedule and supply schedule.(4mks)

demand schedule is a table showing quantities of a commodities that consumers are willing to buy at different prices within a given period while supply schedule is a table showing quantities of a commodity that suppliers are willing to supply at different prices over a period of time.

24) Highlight four channels that locally produced maize can follow.(4mks)

- Producer $\rightarrow$ Consumers.
- Producer $\rightarrow$ Retailers $\rightarrow$ Consumer
- Producer $\rightarrow$ Wholesaler $\rightarrow$ Consumer.
- Producer $\rightarrow$ Wholesaler $\rightarrow$ Retailer $\rightarrow$ Consumer.

25) List four types of product markets.(4mks)

- Monopoly
- Perfect competition.
- Oligopoly.
- Monopolistic competition.

