

BUSINESS FORM 1

END TERM TWO 2021

1. Define the following terms as used in business studies. (8mks)

a) Good

These are items that are tangible, i.e. they can be touched and felt

b) Services

These are actions that may be sold

c) Economics

Refers to the study of how human beings strive to satisfy their endless wants using the available scarce resources.

d) Accounting

Refers to a systematic way of recording business activities which are used for decision making

2. State **four** features of a good filing system. (4mks)

i. **Simple**

ii. **Economical**

iii. **Adaptable**

iv. **Compatible**

3. Outline **four** sources of business ideas. (4mks)

i. **Waste products**

ii. **Surveys**

iii. **Hobbies**

iv. **Magazine articles**

v. **Vocational training and experience**

vi. **Listening to what people say**

4. Give any **four** business activities. (4mks)

i. **Extraction**

- ii. **Manufacturing**
- iii. **Construction**
- iv. **Trade**
- v. **Provision of services**

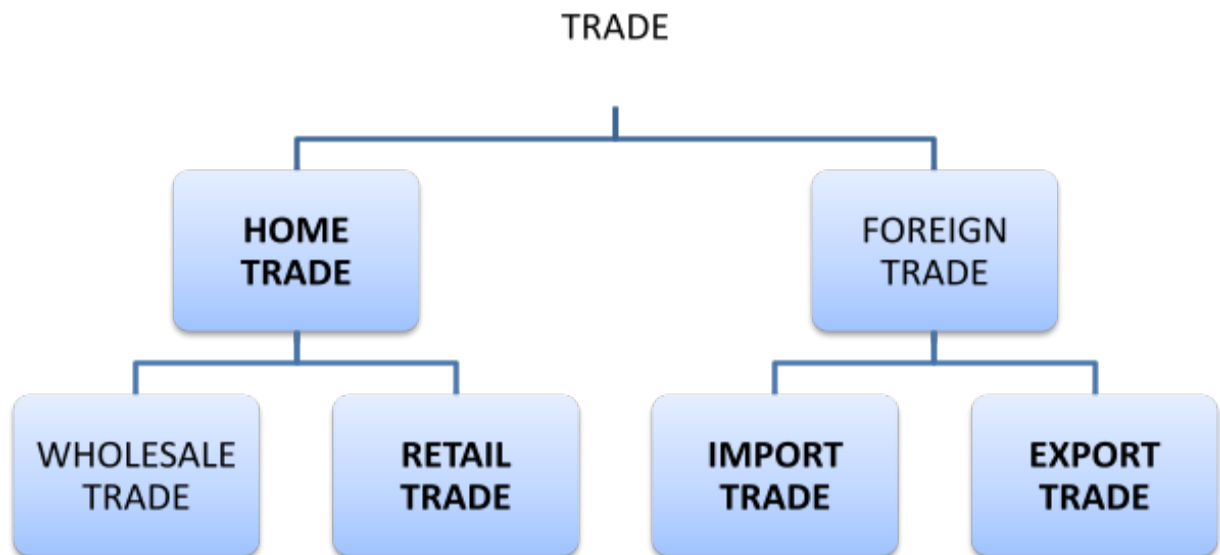
5. Highlight **four** reasons why people engage in business activities. (4mks)

- i. **To make profit**
- ii. **To utilize free spare time**
- iii. **To provide essential goods and services**
- iv. **To make good use of locally available resources**
- v. **To be one's own boss**

6. Mention **four** types of resources that are important in business. (4mks)

- i. **Human resource**
- ii. **Financial resource**
- iii. **Physical resource**
- iv. **Technology**

7. Fill in the blank spaces below (4mks)



8. State **four** features of supermarket. (4mks)

- i. **Requires large capital to start**
- ii. **Stocks a variety of goods**
- iii. **Goods have price tags**
- iv. **Prices of goods are fixed**
- v. **Offer self-service facilities**

9. Differentiate between goods and services. (5mks)

GOODS		SERVICES	
i	Tangible	i	Intangible
ii	Can be stored	ii	Cannot be stored
iii	Can be standardized	iii	Cannot be standardized
iv	Most can be seen	iv	Cannot be seen
v	Not all are perishable	v	Are highly perishable

10. Mention any **four** small scale retailers without shops. (4mks)

- i. **Itinerant traders**
- ii. **Roadside sellers**
- iii. **Open-air market traders**
- iv. **Automatic vending machines**

11. Business studies are a wide subject that covers several disciplines. Outline those **five** disciplines. (5mks)

- i. **Economics**
- ii. **Commerce**
- iii. **Accounting**
- iv. **Entrepreneurship**
- v. **Office practice**

12. Identify any **four** features of economic resources. (4mks)

- i. **Scarce in supply**
- ii. **Have monetary value**
- iii. **Unevenly distributed**
- iv. **Have utility**
- v. **Have alternative uses**

13. State any **four** factors to consider when selecting office equipment. (4mks)

- i. **Cost**
- ii. **Durability**
- iii. **Availability of room**
- iv. **Security of the equipment**
- v. **Effect on staff morale**
- vi. **Availability of manpower**

14. Give **four** advantages of an open office layout. (4mks)

- i. **Easy supervision of workers**
- ii. **Easy location of workers**
- iii. **Discourages absenteeism**
- iv. **Maintenance cost is low**
- v. **Promotes team work amongst employees**
- vi. **Floor space is saved**
- vii. **It is cheap to decorate**

15. Identify any **four** causes of a business success. (4mks)

- i. **Lack of competition**
- ii. **Adequate finances**
- iii. **Good location**
- iv. **Availability of raw material**
- v. **Ability to manage people**

16. Differentiate the following terms as used in production. (6mks)

- a) Free goods and economic goods.

Free goods are those goods that are available in abundance as gifts of nature while economic goods are those that are scarce in supply and have monetary value.

- b) Producer goods and consumer goods.

Producer goods are those goods used to produce other goods while consumer goods are those that are at their final stage of usage by the consumer.

- c) Public goods and private goods.

Public goods are those goods that belong to no one in particular while private goods are those that are owned by individuals.

17. Mention **four** factors that hinder geographical mobility of labour. (4mks)

- i. **Language barrier**
- ii. **Political instability**
- iii. **Family ties**
- iv. **Age**
- v. **Poor infrastructure in a new place**
- vi. **Climatic differences**

18. State **four** functions of an entrepreneur. (4mks)

- i. **Starts the business**
- ii. **Controls the business**
- iii. **Makes decisions**
- iv. **Bears the risks and enjoys the profits**
- v. **Owns the whole project**
- vi. **Acquires and pays for all the other factors of production.**