

NAME:..... Adm .No.....
SCHOOL:.....DATE.....

SIGNATURE.....

BUSINESS STUDIES
FORM 1
THIRD TRIAL 2017
2 hours

Kenya Certificate of Secondary Education,

BUSINESS STUDIES
FORM 1

INSTRUCTIONS TO CANDIDATES

Answer all questions in the spaces provided in the question paper

Questions	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Marks															

Questions	16	17	18	19	20	21	22	23	24	25
Marks										

1. Define the following terms as used in business studies. (4mks)

a)
Production.....
.....

b)
Distribution.....
.....

c)
Consumption.....
.....

d)
Business.....
.....

2. Outline four reasons as to why business studies is offered to secondary students. (4mks)

a)
.....
.....

b)
.....
.....

c)
.....
.....

d)
.....
.....

3. Outline four ways by which an entrepreneur can improve internal operations of a business. (4mks)

a)
.....
.....

b)
.....
.....

c)
.....
.....

d)
.....
.....

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

a)
.....
.....

b)

.....
.....

c)

.....
.....

5. Mention four types of utility.

(4mks)

a)

.....
.....

b)

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.....

c)

.....
.....

d)

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.....

6. Outline four types of business resources.

(4mks)

a)

.....
.....

b)

.....
.....

c)

.....
.....

d)

.....
.....

7. State whether each of the following activities would satisfy basic or secondary needs.

(4mks)

ACTIVITY	BASIC/SECONDARY
a) Providing water to people in arid areas.
b) Adult education
c) Medical care to sick person
d) Entertaining a guest

Turnover

8. Give four components business studies.

(4mks)

a)

.....
.....

b)

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.....

c)

.....
.....

d)

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.....

9. Outline four importance of business to a society.

(4mks)

a)

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.....

b)

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.....

c)

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.....

d)

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.....

10. Highlight four advantages of division of labour and specialization

(4mks)

a)

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.....

b)

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.....

c)

.....
.....

d)

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.....

11. Outline four ways by which a well laid business structure can lead to business success.

(4mks)

a)

.....
.....

b)

.....
.....

c)

d)

12. Highlight four benefits of indirect production to a society.

(4mks)

a)

b)

c)

d)

13. Highlight four factors that make up the external business environment.

(4mks)

a)

b)

c)

d)

14. Define the following terms.

(4mks)

a) Scarcity

b) Choice

c) Scale of preference.

d) Opportunity cost

15. State four characteristics of human wants.

(4mks)

a)
.....

b)
.....

c)
.....

d)
.....

16. Outline four characteristics of land as a factor of production.

(4mks)

a)
.....

b)
.....

c)
.....

Give four differences between goods and services

(4mks)

Goods	Services
a)	a)
b)	b)
c)	c)
d)	d)

18. Outline four characteristics of economic resource. (4mks)

a)
.....
.....

b)
.....
.....

c)
.....
.....

d)

19. Give the difference between: (4mks)

a) Consumer goods and producer goods
.....
.....

b) Material and non-material goods.
.....
.....

20. Outline four reasons why Kenya should exploit the oil discovered in Northern Kenya. (4mks)

a)
.....
.....

b)
.....
.....

c)
.....
.....

d)

21. Give four characteristics of subsistence farming in Kenya. (4mks)

a)
.....
.....

b)
.....
.....

c)
.....
.....

d)

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.....

22. List four occupations found in the secondary level of production.

(4mks)

a)

.....
.....

b)

.....
.....

c)

.....
.....

d)

.....
.....

23. Classify each of the following goods as either producer or consumer.

(4mks)

Goods	Classification
Factory	
Private car	
Tools	
Clothing	

Name four commercial services which are useful to the manufacturer.

(4mks)

a)

.....
.....

b)

.....
.....

c)

.....
.....

d)

25. Classify the following as either Renewable or Non Renewable resources.

(4mks)

Resource	Classification
Soda ash	
Building stone	
Wood	
Hydroelectric power	
Gold	
Natural rubber	
Aluminum	
Wool	