**FORM3 MARKING PP1 SCHEME; BUSINESS STUDIES**

1. Features of perfect competition market

-there are large number of buyers and sellers

-homogeneity [uniformity] of the product

-each buyer and seller has a perfect knowledge of the market

-the buyers and sellers have the freedom to enter and leave the market

-there is no government interference

-there is no excess supply or demand

-there is perfect mobility of factors of production

-there is no transport costs incurred as its assumed the buyers and sellers are located in one area

2. Channels of imported vehicles

-Foreign producer –wholesaler-retailer-local consumer

-foreign producer-agent-wholesaler-retailer-local consumer

-Foreign producer-manufacturer’s representative-wholesaler-retailer-local consumer

-foreign producer-wholesaler-local consumer

-foreign producer-retailer-local consumer

3. Level of education

-inheritance -corruption

-nepotism in employment

-disparity in access to education /unequal education opportunities

-disparity in natural resources

4.Its a basic factor of production i.e. production cannot take place without it

-its supply is fixed

-it’s a natural resource

-its subject to the law of diminishing returns

-it has occupational mobility

-it lack geographical mobility

-quality is not homogeneous

-productivity of land can be increased by increasing quantity and quality of capital

5. When training juniors

-when evaluating the performance of employees

 -when delegating duties from managers to the juniors

-when giving rewards

-when solving problems facing workers

-when dealing with those involved in misconduct

6.Polite request for payment before goods are sent to the buyer

-when the seller does not want to give credit to the buyer

- Its issued to an agent who sell goods on behalf of the seller

-used by importers to get customs clearance before goods are sent

-serves as quotation

- sent to the buyer to show what he would pay if he bought the goods

7.A=C+L X=1800,000

C=A-L Y=600,000

L=A-C W=700,000

C=A-L Z=6400,500-800,000=5600,500

8.proper storage facilities

-adequate communication within and outside the business

-adequate transport

-proper handling equipment

-well trained staff

-provision of safety facilities

-proper inventory and stock control system

9.Enables the holder to get goods and services from specified sellers without paying immediately

-convenient to carry around

-Enables the holder to get money from specified banks

-Increases credit rating of an individual.

- Its safe to carry the card around than to carry cash

 -Some cards are internationally acceptable

10.clean air -clean water

-safe buildings -proper landscaping

-political goodwill

-Availability of auxiliary services

-favorable economic environment

-Reliable and efficient legal system

-No noise within accepted limits

12.commerce -Accounting

-office practice -Entrepreneurship

-Economics

13.Its a saving plan

-has surrender value

-Not indemnitiable

 -Does not require annual renew

-can be assigned to beneficiaries

-can be used as security for loans

-cover for life until death or for a specified period

14.To ensure fairness in business\no discrimination in business

-To promote honesty and integrity in business

-To create good working relations

-To ensure that business complies with the laws of the land

-To ensure that there is no degradation and pollution of the environment

-To ensure that the business is socially responsible to the community

-creates fairness in competition

-Avoids consumer exploitation

-Eliminates use of unfair means of achieving business objectives

15.Trade discount 2/100x400,000=8,000

400,000-8000=392,000

-cash discount 1/100x392,000=3920

-Amount paid 392,000-3920=sh.388,080.00

16.If the goods are fragile

-If the consumers are concentrated in one area

-If the goods are technical

-If the goods don’t require the role of intermediaries

-If it’s a government policy that a trader sells the goods directly

17.cc=oc+p+I-d

=160,000+102,000+400,000-[13500]12

=662,000-162,000=sh.500,000

18.



19.Grading -Blending Branding

-Breaking bulk

20.reduces government expenditure

-leads to efficiency in management

-Attracts foreign investors

-promotes invention and innovations

-Reduces political interference in the economy

-promotes accountability and reduce corruption

-Helps the government to raise revenue

-leads to production of high quality goods and services

-Leads to the production of a variety of goods and services

21.form utility -possessive utility

-time utility -place utility

22.a]internal or external

b]External c]Internal

d]Internal

23.have money value

-unevenly distributed -scarce in supply

-have utility -have alternative uses

-can change ownership -can be combined

Can be complimentary

24.Not disclosing the side effects of the product

-cheating on the performance of the product

-false pricing

-advertising that has negative effect on environment

-making offers that cannot be fulfilled

Promoting products as genuine but selling their counterfeits

-social cultural conflicts

25.Increase in sales volume

-Higher profit margins are realized

-goods can be repossessed if the buyer defaults payment

-ownership of the goods is retained until the payments is completed