

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

$$7.A=C+L \quad X=1800,000$$

$$C=A-L \quad Y=600,000$$

$$L=A-C \quad W=700,000$$

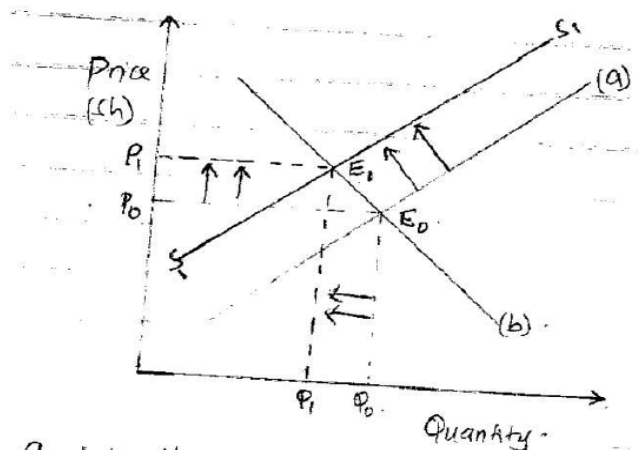
$$C=A-L \quad Z=6400,500-800,000=5600,500$$

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 indemnifiable
- 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 $2/100 \times 400,000 = 8,000$
- $400,000 - 8000 = 392,000$
- cash discount $1/100 \times 392,000 = 3920$
- Amount paid $392,000 - 3920 = \text{sh.} 388,080.00$
- 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. $cc = oc + p + I - d$
- $= 160,000 + 102,000 + 400,000 - [13500] \times 12$
- $= 662,000 - 162,000 = \text{sh.} 500,000$
- 18.



a → is the supply curve.
b → Demand curve.

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