

## **TERM 2 2022 OPENER EXAM FORM 1**

### **BUSINESS FORM ONE**

#### **MARKING SCHEME**

1. State four disciplines in business studies (4mks)

- Economics
- commerce
- Office practice
- accounting
- entrepreneurship

2. Identify four importance of learning business studies to an individual (4mks)

- students acquire knowledge on how to be environmentally friendly
- students learn skill on how to acquire resources and use this skills to create goods and services for the country
- assists individual to acquire self discipline and positive attitude towards work.

Assists individuals in appreciating the role of business in provision of goods and services.

Assists individuals with practical skills on how to start and run business therefore create employment

3. State five business activities that are likely to be carried out in an economy. (5mks)

- extraction
- processing of raw materials
- manufacturing
- construction
- distribution of goods
- trade
- provision of services



4. A resource is something that can be used to achieve an objective. Highlight four types of a resource business. (4mks)

- human
- financial
- physical
- technology

5. Outline five external business environments that affect business activities. (5mks)

- economic
- demographic
- legal – political
- Technological
- Cultural
- competitive

6. State four social responsibilities of a business to her employees (4mks)

- rewarding them fairly
- safeguarding their safety
- provision of good welfare facilities such as housing facilities, recreation grounds to motivate workers

- better retirement package scheme to avoid them looking for onellose confidence in the current work place
- offering equal opportunity to all in matters of promotion and training
- effective and efficient personnel administration of all employees so as records are kept in case of need arises such as death.

7.State five characteristics of human wants (5mks)

- insatiable
- competitive
- habitual
- complimentary
- require resource to satisfy them

Recurrent / repetitive

8.Outline five characteristics of economic resources (5mks)

- Scarce in supply
- have money valu
- unevenly distributed
- have utility
- Can change ownership
- can be combined
- can be complimentary

9.Highlight any five differences between good and services (5mks)

| Goods   | Services                              |
|---|---------------------------------------|
| Tangible  | Intangible                            |
| Can be stored                                       | Cannot be stored                      |
| Can be standardized                                 | Cannot be standardized                |
| Not all are perishable                              | are highly perishable                 |
| Most can be seen                                    | Cannot be seen                        |
| Can change possession (separable from the producer) | Cannot be separated from the producer |

10.State four characteristics of basic wants (4mks)

- one cannot do without them-are felt needs
- cannot be postponed

Are satisfied before secondary wants

11.Differentiate between renewable resource and non-renewable resource in each of the following (5mks)

- i)Wood -renewable
- ii)Gravel-non renewable
- iii)Lead -non renewable
- iv)Soda ash-renewable .
- v)wool -renewable

12.State four forms of utilities (4mks)

- form

- place
- possessive
- time

13.State four natural sources of energy available in Kenya (4mks)

- solar
- wind
- wood
- biogas
- hydroelectric power
- geothermal

14.Outline three classification of economic resources (3mks)

- natural
- man-made
- human

15.Differentiate between comforts and luxuries giving example (4mks)

*Comforts*----these are wants that improve one’s living standards beyond the level of mere survival eg furniture, medicare, security and education.

*Luxuries*-----these are requirements that provide excessive comfort eg watches, diamond necklaces, very expensive cars, forty – bed roomed house e.t.c

16.The table below contains descriptions of different types of goods produced in a company. Indicate with a tick whether it is a produce or a consumer good (5mks)

| Description                             | Consumer | Producer |
|---|----------|----------|
| a)A TV bought by a family               | √        |          |
| b)A water dispenser bought by a company |          | √        |
| c)A pair of shoes                       | √        |          |
| d)A ream of foolscaps for an office     |          | √        |
| e)A photocopier bought by a school      |          | √        |