

BUSINESS STUDIES FORM TWO MARKING SCHEME T3 2023

1. -Increase in buyers ability to purchase more goods
 - Increase in population
 - Favourable legal-political environment e.g fair taxes
 - Improved technology
 - Favourable cultural environment
 - Fair competition

2. -Resources are scarce
 - Human wants are endless
 - They are recurrent (repetitive)
 - They are competitive
 - They are habitual

3. –Public
 - Private
 - Free
 - Bonded

4. –Insurable interest
 - Doctrine of Utmost Good Faith or “Uberrima Fidei”
 - Indemnity
 - Proximate cause
 - Subrogation
 - Contribution

5. –Credit facilities
 - After sale services
 - Avail a variety of goods
 - Offer advice
 - Avail goods to consumers
 - Break bulk

6. –Marine hull
 - Marine Cargo
 - Port policy
 - Voyage policy
 - Floating
 - Time
 - Mixed
 - Fleet
 - Composite

7. –Holding companies
 - Cartels
 - Privatisation
 - Absorptions/Take-overs
 - Mergers(amalgamation)
 - Check-off system
 - Burial benevolent funds (B.B.F)
 - Front office savings account (FOSA)
 - Franchising
 - Trusts
 - Globalisation
 - Performance contract
8. –Product
 - Primary demand
 - Institutional
 - Competitive/persuasive
 - Celebrity
 - Reminder
9. -Voluntary and open membership
 - Democratic administration
 - Limited interest on share capital
 - Co-operation with other co-operatives
 - Promotion of education to members
 - Provision of dividends to members
10. –Transport
 - Communication
 - Warehousing
 - Advertising
11. –Easy to supervise workers
 - Easy location of workers
 - Promote team work
 - Floor space is saved
 - Cheap to decorate
 - Maintenance cost is low
 - Discourages absenteeism by employees
 - Construction cost is low
12. –Insufficient funds in the account
 - Stale cheque
 - When the cheque is post-dated
 - If the drawer has closed his/her account with the bank

- When the signature of the account holder differ from the specimen in the bank
- A bank learns about death, insanity or bankruptcy
- When the cheque has been altered and the drawer has not signed against the alteration

13. –Insufficient quantities

- Poor quality goods
- Poor services
- Lack of goods

14. –When launching a new product

- When a product is tailored to meet customer’s specification
- When demonstration is required
- When the value of the product is high
- When the organization can afford to finance the sales force
- Where the market is concentrated in one area

15. –Partner’s contributions

- Loans from banks
- Trade credit
- Buying goods on hire-purchase terms
- Retained profit
- Leasing and renting

16. The sender – Person from whom the message originates

Message – The information to be sent

Medium/channel – Means through which the message is to be sent

The receiver – A person for whom the message is intended

Feed-back – The reaction of the receiver to the message

17. Cost –should be affordable i.e both initial and maintenance cost

Adaptability – Should be able to cope with future changes and development

Possibility of hiring rather than buying – one has to consider the cost and convenience of buying an equipment as opposed to hiring

Durability – one has to consider the lifespan of equipment

Effect on staff morale – the attitude towards equipment

Availability of complementary resources – e.g power and availability of spare parts

Availability of manpower required to run and operate the equipment

Availability of room to store the equipment

Security of the equipment

18. - Assist a student to relate the knowledge, skills and attitudes acquired to the day to day business activities

- Equips a student with knowledge and skills necessary to start and run a business
- Assist a student to appreciate the role of business in provision of goods and services

- Makes a student to appreciate the need for good business management practices
- Assist a student to acquire self-discipline and positive attitude towards work
- Equips a student to understand the role of government in business
- Equips a student with abilities to promote co-operation in society through trade
- Helps a student to develop positive attitude towards the environment
- Equips a student with ability to understand the role of communication and information technology in modern business management

19. –Helps people to acquire what they may not be able to produce

- Avails a variety of goods and services – helps producers to dispose off their surplus produce
- Creates employment
- Encourages specialization and division of labour
- Promote social relations and understanding among parties involved
- Provides revenue to the business people and the government
- Ensures steady supply of goods and services

20. a) Cost – The cheapest means should be chosen

b) Nature of goods – Perishable goods require a fast means while heavy and bulky goods requires a means of transport convenient for such goods

c) Reliability – A means that assures that goods will reach the intended destination at the right time and in the right form should be chosen

d) Urgency – Goods that are urgently required need the fastest means available

e) Security – Means chosen should ensure that goods on transit are safe against loss, theft or physical damage

f) Distance – Some means are suitable for long distances while others are suitable for short distances

g) Availability of means – means should be selected based on its availability

h) Flexibility – Should be able to be manipulated to suit the convenience of the transporter

i) Terminals – Some means of transport may have their terminals near the transporter than others

21. Barriers to effective communication

- Noise
- Negative attitude
- Bad weather
- Emotional response
- Poor listening

22.Reasons for government involvement in business.

- To prevent exploitation to consumers
- To provide sensitive goods
- To provide essential goods
- To attract foreign investors in the country

23.The needs for consumer protection

- To protect consumers against harmful products
- To protect consumers against misleading advertisement
- To protect consumers against illegal goods
- To protect consumers against hoarding

24.Elements of transport

- Unit of carriage
- Ways
- Terminal
- Method of propulsion
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25.Consideration before giving credit

- Credit worthiness of the buyer
- The repayment period
- Ability to pay
- Frequency of the buying from the seller
- Amount of goods needed

