**ELERAI MCK GIRLS SECONDARY SCHOOL**

**EXAM 1 TERM 1 2015**

**BUSINESS FORM 3 2015**

**Attempt all the question**

1. State the meaning of the following terms. (4mks)
2. Consumer goods.
3. Producer goods
4. Outline four factors that may account for predominant direct production in the country. (4mks)
5. Outline four duties of an office manager. (4mks)
6. State four factors that determine the period for which documents should be stored. (4mks)
7. State four uses of invoice (4mks)
8. Outline four benefits that Kenya may derive from multinational operating in the country. (4mks)
9. State four advantages of a hawker over a shopkeeper. (4mks)
10. In the spaces provided, indicate by writing true or false whether each of the following statements is True or false about the article of association of a company. (5mks)

|  |  |
| --- | --- |
| Statement  | True or false |
| a)it contains the activities the company is engaged in. |  |
| b)it indicates the procedures to be followed in calling meetings |  |
| c)it contains details of election procedure |  |
| d)it indicates the liabilities of the share holders |  |
| e)it contains the rights of each share holder |  |
|  |  |

9. In the spaces provided name the types of business organization described by each of the following

 features. (4mks)

|  |  |
| --- | --- |
| Description  | Business organization |
| a)each member has only one role |  |
| b) The business enjoys perpetual succession. |  |
| c)each member may act on behalf of the business |  |
| d) Formed by an act of parliament. |  |

10. Outline four reasons why a school in Mombasa may prefer to transport its sixty students to music

 Festival in Nairobi by train rather than by bus.

11. State five problems that may interfere with the effectiveness of face to face communications. (4mks)

12. State four advantages of public warehouse to retailers. (4mks)