**NAME: ……………………………………………ADM.NO.…………….STREAM…………**

**BUSINESS STUDIES FORM THREE**

**END OF TERM EXAM – TERM TWO 2015.**

* **Answer all questions in the spaces provided.**
1. Outline four advantages of business mergers or amalgamation. (4 marks)
2. State the type of utility created by each of the following activities. (4 marks)

|  |  |
| --- | --- |
| **Activity** | **Type of utility** |
| Delivering milk to customer |  |
| Keeping money in the bank |  |
| Selling bread to a student |  |
| Making uniform for student |  |

1. Give four advantages of delocalization of firms. (4 marks)
2. Cite any four situations in which human porterage is used. (4 marks)
3. Prepare a balance sheet of Mwaura General Store to determine capital. (4 marks)

Date 30th June, 2003.

|  |  |
| --- | --- |
| Building  | Sh. 400,000 |
| Creditors  | Sh.146,720 |
| Stock | Sh.120,000 |
| Debtor | Sh.69,500 |
| Cash | Sh.150,000 |

1. (a) Explain five circumstances under which personal selling is appropriate as a method

 of product promotion. (10 marks)

(b) Explain five problems associated with a young population. (10 marks)

1. (a) Explain six cause of unemployment in Kenya. (12 marks)

(b) Explain any four uses of National Income Statistics. (8 marks)

1. The table below represents the supply of commodity X in a local urban centre.

|  |  |
| --- | --- |
| **Year** | **Quantity of commodity X (Tonnes)** |
| 2010 | 10,000 |
| 2011 | 15,000 |
| 2012 | 20,000 |

Assuming the price remained constant, explain five possible reasons for the trend in the supply of commodity X. (10 marks)