

KENYA METHODIST UNIVERSITY

**END OF 2ND TRIMESTER 2014 (FT) EXAMINATION**

**FACULTY : EDUCATION AND SOCIAL SCIENCES**

**DEPARTMENT : EDUCATION**

**UNIT CODE : BUSS 201**

**UNIT TITLE : COMMERCE**

**TIME : 2 HOURS**

**INSTRUCTIONS**

* ***Answer any Three questions***

**Question One**

1. Define Commerce and its relationship with other disciplines in business studies. (10 Mks)
2. Explain the main characteristics of the following types of trade local trade:
3. Local trade (5 Mks)
4. International trade (5 Mks)

**Question Two**

1. Discuss the main characteristics of factors of production. (10 Mks)
2. What do you understand by division of labour concept as used in economics? (10 Mks)

**Question Three**

1. What role does insurance play in the economy of Kenya? (10 Mks)
2. Explain the advantages of road transport in Kenya. (10 Mks)

**Question Four**

Discuss the characteristics of ten business documents used to transport school business with other business firms. (20 Mks)

**Question Five**

1. Explain five principles of Insurance. (10 Mks)
2. Discuss the importance of warehousing services to the economy of Kenya. (10 Mks)