

MINISTRY OF EDUCATION AND HIGHER EDUCATION

GRADE 12 EXAMS, 2009

BUSINESS



P/LAND NATIONAL EXAMINATION BOARD



Name

School

Roll Number.....

Puntland State of Somalia
Ministry of Education
Puntland National Examination Board
Form 4
BUSINESS STUDIES Examination
2009

Time 2 hours

Plus 10 minutes before the exam for reading through the paper

TOTAL TIME 2 hours 10 minutes

INSTRUCTIONS TO CANDIDATES

This paper consists of 16 printed pages.
Count them now. Inform the invigilator if there are any missing.

PART 1: (20 Multiple choice questions):	20 marks
PART 2:(20 matching / Short answer Questions):	20 marks
PART 3: (5 Structured questions):	30 marks
PART 4: (3 Extended questions):	30 marks

TOTAL 100 marks

- Answer ALL questions.
- All answers and working must be written on this paper in the spaces provided immediately after each question.
- Rough work can be done on page 2. This will not be marked
- No extra paper is allowed.
- If you make a mistake cross out the incorrect answer clearly and write your correct answer.

Part 1: Answer ALL multiple choice questions. 20 marks. Circle the correct answers.

1. Business studies is a subject that concerns with activities that take place in and around:
 - a. Production, distribution and consumption
 - b. Production, distribution and transportation
 - c. Distribution, services and goods
 - d. Distribution, consumption and trading

2. Goods and services are:
 - a. Inputs of business organization
 - b. Outputs of business organization
 - c. Resources of business organization
 - d. Raw materials of a business organization

3. Why does the computer technician wear wristbands?
 - a. To prevent theft
 - b. To encourage ECD
 - c. Electrotherapy for carpel syndrome
 - d. To prevent ECD from damaging the computer.

4. Planning involves making decisions today about what you are going to do
 - a. Now
 - b. Tomorrow
 - c. Yesterday
 - d. At present

5. Human needs are broadly classified into:
- Basic needs and primary needs
 - Basic needs and security
 - Basic needs and secondary needs
 - Secondary needs and medical needs
6. Circle the correct statement:
- Human needs are unlimited but resources are also unlimited
 - Human needs are unlimited but resources are limited
 - Human needs are limited but also resources are limited
 - Human needs are limited but resources are unlimited
7. Keyboard is an:
- Input unit
 - Storage device
 - Output unit
 - System unit
8. An office is a room set aside for:
- Managing meetings
 - Storing goods
 - Reception of customers
 - Managing the activities of an organization
9. Increase in income of the customers causes:
- The demand curve to shift inward to the left
 - The demand curve to shift upwards
 - The demand curve to shift downwards
 - The demand curve to shift outwards to the right

10. Communication is the transfer of
- Goods and services
 - Inputs
 - Outputs
 - Information or messages
11. Business refers to any activity carried out by an individual or organization with the aim of making:
- Services
 - Profit
 - Jobs
 - Income
12. Product promotion is used
- to decrease costs
 - to increase sales
 - to motivate employees
 - to recruit new workers
13. The number of live births in a country is 8,000 and the number of women in age group: 15 – 49 is 80,000. then, the general fertility rate GFR is:
- 11%
 - 12%
 - 10%
 - 14%

14. Meaning of business studies is known as the process of:
- Identifying a business opportunity
 - Acquiring such knowledge, skills and positive attitudes.
 - Producing farm products
 - None of the above
15. The main purpose of a business is to make:
- Facilities
 - Survival
 - Technology
 - Profit
16. The three basic parts of human wants are:
- Food, shelter and clothing
 - Car, food and medicine
 - Medicine, entertainment and shelter
 - Clothing, car and education
17. If the total assets of a business are 35,000sh and liabilities are 10,000sh, the total capital should be:
- 25,000sh
 - 2,500,000sh
 - 45,000sh
 - 250,000sh
18. Financial statements are drawn to show the
- The gross loss of a business
 - The performance of a business at the end
 - Net profit of a business
 - Trading period
19. Which of the following is a fixed asset?
- machinery
 - creditor
 - debtors
 - loan

20. A 5 year loan is a form of:

- a. current asset
- b. fixed asset
- c. long-term liability
- d. current liability

Part 2: Structured questions. Answer ONLY 10 OUT OF THE 14 questions. 10 Marks.

A: Match the words in column A with its meaning in column B

	Column A	Column B
1	Inflation	a. Debts of a business that are owed to creditors
2	Money	b. The apex banking and monetary institution which controls and regulates the banking and monetary systems of a country.
3	Market	c. Gross domestic product
4	Producer	d. Where buyers and sellers meet
5	Public sector	e. Taking risks and showing creativity
6	Profit	f. A more detailed, measurable target that an organisation works to achieve.
7	Supply	g. anything used as a means
8	Production	h. the process of making goods and services
9	Objective	i. The part of economy which is run and controlled by the government.
10	Liabilities	j. Rise in the general price level of goods and services
11	Entrepreneurship	k. A means of support such as oil, coal, human labour
12	Central bank	l. Difference between income and expenditure
13	GDP	m. someone engaged in providing goods and services
14	A resource	n. The quantity that producers will provide at different prices.

1..... 2..... 3..... 4..... 5..... 6..... 7.....
8..... 9..... 10..... 11..... 12..... 13..... 14.....

B: Answer ONLY 10 OUT OF THE 15 QUESTIONS. 10 marks

Fill in the blank spaces with the appropriate words given below.

Banking, provision of, services, budget, asset, memorandum of association, journal, posting, cultural environment, public finance, balance sheet, consumption, computer, hardware, software, double entry system, barter trade.

1.is a financial statement that shows the assets, capital and the liabilities of a business at a particular date.
2.refers to the norms that regulate behaviours of a society including, customs, values and beliefs.
3.outlines the relationship of the company with the outside world.
4.refers to the process of accepting deposits, and promoting the habit of thrift and saving money among people.
5.is defined as something valuable owned by the business.
6. A complete computer system has two parts:.....
and.....
7.is an electronic machine by which data is processed at a great speed.
8.is described as the amount of money required by the government to carry out its programmes for economic development.



- 9.is the act of transferring the information in the journal to the ledger
- 10.....is one type of business activity in which services are provided to consumers.
- 11.....is a future plan expressed in numerical figures.
- 12..... is another name of a book of original entry.
- 13.....is the act of using goods and services.
- 14.....where every business transaction there is an account to debit and another to credit.
- 15.....involves the exchange of good and services directly.

Part 3:Short questions. Answer ANY 5 OUT OF THE 10 questions (6 Marks each)

- 1. List any three benefits the business studies give to a learner.

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- 2. Find the missing elements in each of the following:

Assets	=	Liabilities	+	Capital
50,000sh		30,000 sh	
.....		42,000 sh		58,000 sh
70,000sh			36,000 sh



3. Discuss how modern banking system developed.

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4. Explain what happens to the demand curve of mangoes if change in taste against mangoes occurs.

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5. Given the table below, draw with the same axis a demand curve, supply curve, and find the point of equilibrium.

Price	Quantity demanded	Quantity supplied
2	80	10
4	60	20
6	40	40
8	20	80
10	10	100



8. State the advantages and disadvantages of partnership.

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9. The following terms stand for:

a. RAM

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b. ROM

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c. BIOS

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d. CPU

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10. Draw the circular flow of income in a two sector closed economy.

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Part 4: Extended questions. Answer ONLY 3 OUT OF THE 6 questions. 30 marks

1. Describe and explain the internal business environment
2. Describe how business enhances quality of life.
3. Discuss the approaches of calculating the National income of a country.
4. Describe and explain the functions of commercial banks.
5. Describe the characteristics of business.
6. State the difference between public limited company and public corporation.

1. QUESTION _____

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