



Kasarani Campus
Off Thika Road
Tel. 2042692 / 3
P. O. Box 49274, 00100
NAIROBI
Westlands Campus
Pamstech House
Woodvale Grove
Tel. 4442212
Fax: 4444175

KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2017/2018 ACADEMIC YEAR
CERTIFICATE IN BUSINESS ADMINISTRATION
CBM 015- COMMERCE

Date: 10th August 2018
Time: 2.30 Pm- 4.30Pm

INSTRUCTIONS TO CANDIDATES
ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS
QUESTION ONE (30 MARKS)

Read the excerpt below and answer the questions that follow:

Brexit is an emerging issue with which Kenya manufacturing will have to contend. One direct impact of Brexit is the depreciation of the British pound. As the value of the pound falls, manufactured exports to the UK will be more expensive for British consumers, which can negatively inform purchase. Further, if Brexit is linked to a slowdown in the UK economy, Kenya can expect lower levels of FDI from the UK in general, and this will affect the manufacturing sector as well. However, the positive news is that inputs from the UK will be cheaper.

- a) Write FDI in full and define it? (2 Marks)
- b) What is manufacturing? (2 Marks)
- c) List and explain any 5 branches of commerce (10 Marks)

- d) Warehousing is an integral part in relation to manufacturing. Do you agree? Discuss. (6 Marks)
- e) Differentiate between the following:
 - i) Domestic trade and international trade (2 Marks)
 - ii) Banking and insurance (2 Marks)
 - iii) Supply chain management and financial management (2 Marks)
 - iv) Relate economics to production (4 Marks)

QUESTION TWO (20 MARKS)

- a) Explain the term economic wellbeing (4 Marks)
- b) Write short notes on the opportunity costs and resource scarcity (6 Marks)
- c) Describe the Describe the theory of the firm (10 Marks)

QUESTION THREE (20 MARKS)

- a) Clearly illustrate the contribution of entrepreneurship towards the Kenyan economy (10 Marks)
- b) Discuss the challenges facing trading in Africa (10 Marks)

QUESTION FOUR (20 MARKS)

- a) Explain the marketing concepts and tools (12 Marks)
- b) What is marketing management? (2 Marks)
- c) Identify the factors that affect marketing planning (4 Marks)
- d) Describe the supply chain stakeholders (2 Marks)

QUESTION FIVE (20 MARKS)

- a) Define cost accounting. (2Marks)
- b) Differentiate between cost accounting and financial accounting? (8 Marks)
- c) outline any 4 financial institutions that operate in Kenya (4 Marks)
- d) List 6 reasons why it is important to study commerce (6 Marks)