**GATITU MIXED SECONDARY SCHOOL**

**BUSINESS STUDIES FORM 3 MID EXAM TERM 2 2014**

**ANSWER ALL THE QUESTIONS IN THIS SECTION**

**SECTION A - 40MKS**

1. List 4 differences between a tramp and a liner. 4mks
2. In case a partnership deed has not been drawn or is ambiguous, the provisions of the partnership Act of 1963(Kenya) apply. What is the content of this act? 4mks
3. Highlight the trends in forms of business units’ current in Kenya today. 4mks
4. Outline the reasons why the computer is overtaking the type writer as office equipment.4mks
5. List the assumptions to the circular flow of national income in a two sector economy. 5mks
6. What are the advantages of a bonded warehouse to the government? 4mks
7. What are the circumstances that may force a government to form a parastatal? 4mks
8. What are the circumstances that may lead Kamau to use pipeline in transporting oil rather than road. 4mks
9. Outline the uses of a business plan. 4mks
10. What is the need for ethical issues in business? 3mks

**ANSWER ANY TWO QUESTIONS**

**SECTION B - 40MKS**

1. Outline 5 differences between a perfect completion product market and an oligopoly market. 10mks
2. Explain 5 importance of filing documents to an organization. 10mks
3. Explain five reasons why the expenditure method may not be a good method of measuring national income. 10mks
4. Discuss five ways in which transport promotes growth of traders. 10mks
5. Explain the importance of entrepreneurship in an economy. 10mks
6. Highlight advantages that will accrue to a business by adopting the internet as a means of communication. 10mks