**NAME…………………………………………….ADMISSION NUMBER………………………**

**565/1**

**FORM TWO**

**BUSINESS STUDIES**

**TIME:2 HOURS**

**JULY/AUGUST 2019**

**MWAKICAN JOINT EXAMINATION 2019**

**KENYA CERTIFICATE OF SECONDARY EDUCATION (K.C.S.E.)**

**BUSINESS STUDIES**

**JULY /AUGUST 2019**

**TIME 2HOURS**

**INSTRUCTIONS TO CANDIDATES.**

* **Write your name and admission number in the spaces provided.**
* **Answer all questions in the spaces provided.**
* **Answer all questions in Section A and three in Section B**
* **Answers must be written in English.**
* **Avoid one word answers**

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| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** | **13** | **14** | **15** | **16** |
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**Section A: Attempt all questions in this section**

1. Give any **four** reasons why a person may engage in business. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
2. Outline **four** reasons why a person may find it better to buy goods from a kiosk instead of a supermarket. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
3. Highlight **four** methods used by the government to regulate business activities in Kenya. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
4. Outline**three**clauses found in the memorandum of association. (3 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
5. Highlight **three**benefits of warehousing to the consumer. (3 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
6. Give **four** characteristics of human wants. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
7. Highlight **four** benefits of a business plan to an entrepreneur. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
8. State **four** ways in which a good filing system may facilitate the operations of an office. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
9. State **three**reasons for privatising public corporations. (3 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
10. Outline **four** services offered by wholesalers to retailers. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
11. In the table below, outline **three**distinctions between Direct and Indirect production. (3 Mks)

|  |  |
| --- | --- |
| Direct Production | Indirect Production |
|  |  |
|  |  |
|  |  |

1. Outline **four** reasons why a trader may prefer to transport his goods by train. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
2. State **four**benefits of running a sole proprietorship business. (4 Mks)\
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
3. Highlight **four** factors that a trader may consider when determining the appropriate means of transport. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
4. State **four** advantages of written communication. (4 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
5. Give **four** malpractices against which consumers may need protection. (4Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
6. State **three**circumstances under which cash terms may be used. (3 Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………
7. Highlight **three**duties of commercial attaches in trade promotion. (3Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
8. Highlight **three** circumstances when one can convey verbal communication. (3Mks)
	1. ……………………………………………………………………………………………
	2. ……………………………………………………………………………………………
	3. ……………………………………………………………………………………………
	4. ……………………………………………………………………………………………

**Section B: Attempt any three questions**

1. Describe **five** characteristics of services. (10 Mks)

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1. Explain **five** factors that may promote entrepreneurship in Kenya. (10 Mks)

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1. Highlight **five** circumstances in which the government may be involved in business. (10 Mks)

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1. Describe any **five** internal factors that may encourage the achievement of business goals. (4 Mks)

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