GATITU DAY MIXED SECONDARY SCHOOL

BUSINESS FORM 1

TERM TWO CAT 2 MIDTERM EXAM 2012

1. List four internal Business environment and four external Business environment (4mks)

2. Highlight four differences between goods and services (4mks)

3. Outline four reasons why an individual start business organizations (4mks)

4. In the table below are various forms of production. Indicate using a tick (√) the correct classification in the appropriate column (5mks)

|  |  |  |  |
| --- | --- | --- | --- |
| Factors of production | primary | secondary | Tertiary |
| i. mining |  |  |  |
| ii. Oil refining |  |  |  |
| iii. Road construction |  |  |  |
| iv. Insurance |  |  |  |
| v. Teaching |  |  |  |

5. Outline four factors that may constitute a healthy business environment. (4mks)

6. Highlight four reasons why it is difficult to satisfy human want. (4mks)

7. State the kind of utility created under the following situations. (4mks)

a. processing of sugar cane to sugar.

b. buying fruits from the market

c. keeping gumboots for the rainy season

d. going abroad for further studies.

8. Outline four features of direct production. (4mks)

9. List the four subjects covered in business studies. (3mks)

10. Highlight three importance of business to the learner. (3mks)

11. Define the following words; (2mks)

a. scarcity

b. opportunity cost

12. State the type of human wants one would be satisfying in each of the following. (4mks)

a. Tourist going to Tsavo national park.

b. Playing football.

c. Cooking food for school children.

d. Putting on clothes.

13. Name the four factors of production and their rewards. (4mks)

14. Define the following terms: (4mks)

a. consumption

b. utility

c. Business studies

d. Entrepreneurship

15. Name 5 types of business activities. (5mks)

16. Give two examples of renewable resources (1mk)