NAME……………………………………………………………………………………ADM NO……………………….CLASS…………….

MWAKICAN JOINT EXAM

FORM TWO BUSINESS STUDIES

TIME: 2HRS

**INSTRUCTIONS.**

1. This paper contains 25 questions. Answer all questions in the spaces provided.
2. Answers should be written in English.
3. Give four characteristics of a good entrepreneur.(4mks)
4. State four problems facing co-operative societies in Kenya (4mks)
5. Highlight four factors that constitute the external environment of a business.(4mks)
6. Listed in the table below are various forms of production. For each form of production, indicate with a tick( ) the correct classification in the appropriate column.(4mks)

|  |  |  |  |
| --- | --- | --- | --- |
| Form of Production | Primary | Secondary | Tertiary |
| 1. Transportation |  |  |  |
| 1. Farming |  |  |  |
| 1. House building |  |  |  |
| 1. Retailing |  |  |  |

1. Identify the type of partner in each of the following situations.(4mks)
2. Kibuja is a partner limited to the extent of her capital contribution ……………………………………..
3. Karimi has been admitted to the firm at the age of 16 years……………………………………..
4. Mary has neither contributed any capital, nor shares the profits of the business though she is treated as a partner………………………………….
5. Mwende shares the profit or losses of the firm but doesn’t play an active role in the daily operations of the business……………………………
6. Mr. Nyaga started a business dealing in electronics. After six months, the business collapsed. Outline four factors that may have contributed to te failure of his business.(4mks)
7. State four functions of an office in any Kenyan secondary school.(4mks)
8. Outline four advantages of a partnership over a sole proprietorship business.(4mks)
9. Identify the equipment that would be used in an office to perform the following duties.(4mks)
10. To fasten related papers together for easier handling…………………………………….
11. To make holes in paper for easier filing……………………………………………………
12. To print stamp images on envelopes……………………………………………………………
13. To cut unwanted papers into tiny pieces to avoid landing onto unauthorized hands………………………………………………..
14. Name four clauses contained in the memorandum of Association of Coca Cola company.(4mks)
15. State four circumstances under which a company could be dissolved.(4mks)
16. Highlight four means of payment that a trader may use to settle his business debts.(4mks)
17. Indicate the factors of production that each of the following statements refers to:(4mks)
18. Manager of a hotel………………………………….
19. Water harvested from the rain ………………………………
20. The hotel owner ……………………………………..
21. Cash register used by the cashier ………………………………….
22. State four advantages of operating a small-scale retail outlet. (4mks)
23. African Retail Traders is an example of a chain store operating in Kenya. Give four general characteristics of chain stores.(4mks)
24. State four types of utilities created in the production process.(4mks)
25. Outline four circumstances under which a seller may demand cash with order from a buyer.(4mks)
26. Highlight four reasons why a cheque presented to a bank may be dishonored. (4mks)
27. Outline any four roles played by the Nairobi Stock Exchange as a market for securities.(4mks)
28. State four factors that one should consider when purchasing office equipment.(4mks)
29. Give two examples of wholesalers under each of the following classifications.(4mks)
30. Classification according to the range of goods handled

(i).

(ii).

1. Classification according to the geographical area of operation

(i).

(ii).

1. State the main source of capital for each of the following business units.(4mks)

**Business Unit Main Source of Capital**

1. Bahamas company limited
2. Afya cooperative society
3. Lil and shah partnership
4. Mama carol’s grocery shop
5. Onyango is a farmer who takes all his farm produce to his family for their daily consumption. Outline four disadvantages associated with this type of production.(4mks)
6. State whether the following resources are renewable or non-renewable (4mks)
7. School bus
8. Solar energy
9. Gold
10. Aluminium
11. State four ways through which a small scale farmer benefits from the activities of a cooperative societies in which she is a member.(4mks)