

**GATITU SECONDARY SCHOOL**  
**BUSINESS STUDIES FORM 2 MID-TERM EXAM 2<sup>ND</sup> TERM 2015 1HR45MIN**

**NAME**.....**ADM**.....**CLASS**.....

1 Highlight any **four** merits of a bonded warehouse to the government. (4mks)

I \_\_\_\_\_

ii \_\_\_\_\_

iii \_\_\_\_\_

Iv \_\_\_\_\_

2 Outline the use of following source of documents as used in Home Trade. 4mks

(I Catalogue-----

(ii) Advice note-----

(iii) Credit note-----

(iv) Debit note-----

v)invoice-----

3 State **four** differences between liners and tramps as forms of sea transport. (4mks)

I-----

II-----

III-----

IV-----

4. List **three** secondary human wants in society (3 marks)

I-----

II-----

III-----

IV-----

5. Show **four** differences between insurance and gambling using the table below.(4 marks)

I-----

II-----

III-----

IV-----

6. Identify **four** circumstances under which water transport may be used in a country. (4 marks)

I-----

II-----

III-----

IV-----

7 Outline **four** characteristics of chain stores (4 marks)

I-----

II-----

III-----

IV-----

8. Outline **four** methods used by the government to protect consumers. (4 marks)

I-----

II-----

III-----

IV-----

9. Highlight **four** consequences that may result from poor arrangement of goods in a public warehouse. (4 marks)

I-----

II-----

III-----

IV-----

10. State **four** ways in which home trade may differ from international trade.

I-----

II-----

III-----

IV-----

11. State how each utility is created in production. 4mks

(i) .....

- (ii).....
- (iii).....
- (iv).....

12 List four essentials of transport

4mks

- (i).....
- (ii).....
- (iii).....
- (iv).....

13. Highlight four advantages of a free warehouse

(4mks).

- (i).....
- (ii).....
- (iii).....
- (iv).....

14 State four characteristics of insurable risk

(4mks).

- (i).....
- (ii).....
- (iii).....
- (iv).....

15. State four difficulties encountered when calculating the price indices

(4mks).

- (i).....
- (ii).....
- (iii).....
- (iv).....

16. Outline four importance of a well laid business structure to an organization.

(4mks)

- (i).....
- (ii).....

- (iii).....
- (iv).....

**17. State four characteristics of parastatals (4mks).**

- (i).....
- (ii).....
- (iii).....
- (iv).....

**18. State four limitations of consumer initiated methods of protection (4mks).**

- (i).....
- (ii).....
- (iii).....
- (iv).....

**19. Highlight four problems faced in the satisfaction of human wants. (4mks)**

- (i).....
- (ii).....
- (iii).....
- (iv).....

**20 Give four disadvantages of radio calls as a means of communication (4mks).**

- (i).....
- (ii).....
- (iii).....
- (iv).....