**MUKINDURI MIXED SECONDARY**

**MIDTERM EXAM 2 TERM 2 2017**

**BUSINESS STUDIES FORM 2**

**NAME.................................................... ADM NO........**

* 1. The table below gives descriptions of areas of study in business studies. Identify the area of study in Business studies which best matches each of the descriptions below. (4 Marks)

|  |  |
| --- | --- |
| **Description** | **Area of study** |
| 1. Making the best use of the scarce resources. |  |
| 1. Deals with trade and aids to trade |  |
| 1. Maintaining proper business financial records |  |
| 1. Activities involved in the process of a viable business activity. |  |
|  |  |

* 1. Highlight four gaps that may give rise to a Business Opportunity. (4 Marks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

……………………………………………………………………………………….

* 1. Matatus have proved to be very popular means of transport in Kenya. Highlight four factors that have made matatus to be a popular means of transport. (4 Marks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

………………………………………………………………………………………

* 1. State four ways in which the Kenyan government protects consumers. (4 Marks)

…………………………………………………………………………………………

………………………………………………………………………………………..

………………………………………………………………………………………. ……………………………………………………………………………………

* 1. Give four reasons why office documents should be filed.(4 Marks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

………………………………………………………………………………………

6.Outline four disadvantages of a partnership form of a business.(4 Marks) …………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

……………………………………………………………………………………….

7.Give four reasons why importers prefer to use water transport.(4 Mark …………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

……………………………………………………………………………………….

8.Give any **four** reasons why a consumer may prefer buying goods from a supermarket rather than from a kiosk. (4 mks)

………………………………………………………………………………

………………………………………………………………………………

…………………………………………………………………………………

…………………………………………………………………………………

9.List down any **four** uses of computers in an office. (4mks)

…………………………………………………………………………………………

……………………………………………………………………………………….. ……………………………………………………………………………………….

………………………………………………………………………………… ………………………………………………………………………………………

10.Identify the type of wholesaler described by each of the following statements. (4 mks)

|  |  |
| --- | --- |
| Description | Type of wholesaler |
| 1. Deals in a variety of goods in a line of products |  |
| 1. Deals in a wide range of product in many lines of products |  |
| 1. Deals in a particular good from a particular line of products |  |
| 1. Sells products in many parts of the country |  |

11.Give any **four** reasons why the government is involved in licencing of businesses.

(4 mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

………………………………………………………………………………………

12.. Outline five differences between partnership and public corporation. (10mks)

|  |  |
| --- | --- |
| Partnership | Public corporation |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

13.Higlihgt four characteristics of labour as a factor of production (4mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

…………………………………………………………………………………….

…………………………………………………………………………………......

14.Give 4 government initiated methods methods of consumer protection (4mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

……………………………………………………………………………………

15.Give 4 rights and duties of a partner under the partnership act of 1963 of Kenya (4mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

16.Outline four sources of capital in sole proprietorship form of business (4mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

……………………………………………………………………………………….

17.Highlight four disadvantages of partnership (4mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

…………………………………………………………………………………… ………………………………………………………………………………………

……………………………………………………………………………………

18Give 5 clauses found in the memorandum of association (5mk

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

……………………………………………………………………………………….

19. Give 3 characteristics of preference shares (3mks

……………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

……………………………………………………………………………………….

20.Give 4 advantages of containerisation (4mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….

………………………………………………………………………………………

………………………………………………………………………………………

21. Highlight six ways in which transport is important to a business (6mks)

…………………………………………………………………………………………

………………………………………………………………………………………..

……………………………………………………………………………………….