

FOCUS A365

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FORM 3 TERM 1 Business pp2 EXAMINATIONS 2018

NAME: _____ ADM NO: _____ CLASS: _____

INSTRUCTIONS TO CANDIDATES:

1. Write your Name and Admission Number in the spaces provided above.
2. Sign and write the date of this examination in the spaces provided above.
3. Answer any five questions.
4. All answers must be in English
5. All answers must be written in the spaces provided in this booklet.
6. Do not remove any pages from this booklet.

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FORM 3 BUSINESS STUDIES PAPER 565/2

TIME: 2¹/₂ HRS

1. a) Explain five circumstances under which containerization may be used to transport goods (10mks)
b)
 - i) Explain the procedure for making an insurance claim (5mks)
 - ii) A farmer's house valued at Kshs.1,200,000 was insured against fire for kshs.900,000 under the "with average clause". Fire occurred and damaged the house causing a loss of kshs.500,000. Determine the value of compensation due to the farmer (5mks)
2. a) Explain five features of economic resources (10mks)
b) Explain five benefits that may accrue to an organization that adopts an open office plan (10mks)
3. a) Explain five benefits that may be realized by a country as a result of government policy to relocate industries to rural areas (10mks)
b) Explain five ways in which the internal environment may contribute to the success of a business enterprise
4. a) Explain 5 channels of distribution that a Kenyan manufacturer would use to ensure her goods reach consumers in other countries (10mks)
b) Explain 5 features of human wants (10mks)
- 5.a) The table below shows the demand and supply schedules for oranges in a week

Price (shs.)	Quantity demanded ('000' tonnes)	Quantity supplied ('000' tonnes)
35	5	80
30	10	65
25	20	55
20	25	40
15	30	35
10	40	20
5	55	5

Using the information given in the table above, draw the demand and supply curves showing the market equilibrium for the product (10mks)

- b) Explain 5 factors to be considered when selecting a means of communication (10mks)
6. a) Explain five circumstances in which a firm may acquire monopoly power (10mks)
b) Explain five advantages of government involvement in business (10mks)