

NAME.....ADMISSION NUMBER.....

565

FOCUS A365

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FORM 2 TERM 3 BUSINESS STUDIES EXAMINATIONS 2018

TIME 2HOURS

INSTRUCTIONS TO CANDIDATES.

- **Write your name and admission number in the spaces provided.**
- **Answer all questions in the spaces provided.**
- **Answers must be written in English.**

1. Identify four disciplines that make-up Business studies.4MKS

- i.
- ii.
- iii.
- iv.

2. State whether each of the following factors fall under external or internal business environment.

	External	Internal
a. Law's governing Business operations in Kenya		
b. Share holders decisions		
c. Changes in tax		
d. Changes in population		

3. Give four challenges faced in the satisfaction of human wants.4mks

- i.
- ii.
- iii.
- iv.

4. Outline four characteristics of free resources.4mks

- i.
- ii.
- iii.
- iv.

5. Highlight four reasons why the government involves itself in Business Activities.4mks

- i.
- ii.
- iii.
- iv.

6. In the table below, match the descriptions with appropriate type of a partner.4mks

Statement/description	Type of partner
a. Under 18 years of age	
b. Does not take part in the running of the business	
c. Allows his/her name to be used as if he/she is a partner.	
d. Has unlimited liabilities.	

7. State four differences between goods and services.4mks

Goods	Services
i.	
ii.	
iii.	
iv.	

8. Outline four ways in which traders may exploit consumers.(4mks)

- i.
- ii.
- iii.
- iv.

9. Outline four reasons why a trader may construct their own warehouse. .(4mks)

- i.
- ii.
- iii.
- iv.

10. List four means of payment that a trader may use to effect payment.(4mks)

- i.
- ii.
- iii.
- iv.

11. Highlight four merits of an open plan office layout .(4mks)

- i.
- ii.
- iii.
- iv.

12. Outline any four features of Public Corporations. (4mks)

- i.
- ii.
- iii.
- iv.

13. The table below shows different characteristics of production. Indicate whether each relate to direct or indirect production. 4mks

Characteristics of production	Type of production
i. Uses machines and modern technology	
ii. Mainly produces as the needs arises	
iii. Production is market oriented	
iv. Level of output is generally low.	

14. Identify any four gaps in the society that may give rise to a business opportunity.(4mks)

- i.
- ii.
- iii.
- iv.

15. State four ways in which the government may regulate business activities.(4mks)

- i.
- ii.
- iii.
- iv.

16. Highlight four roles of transport in promotion of trade. (4mks)

- i.
- ii.
- iii.
- iv.

17. Highlight four reasons why letters continue to be used as a means of communication.(4mks)

- i.
- ii.
- iii.
- iv.

18. Outline four roles played by Nairobi Stock Exchange market in Kenya's economy.(4mks)

- i.
- ii.
- iii.
- iv.

19. Identify the following types of warehouse having the following characteristics.

	Characteristics	Type of warehouse
i.	Holds tax free goods produced locally or imported	
ii.	Used to hold dutiable goods from within or outside the country.	
iii.	Goods can stay in store without the owner worrying about high storage charges or loss of goods.	
iv.	These warehouses are located at entry points, terminals and urban areas for hire by local traders.	

20. Give four reasons why office documents should be filed.(4mks)

- i.
- ii.
- iii.
- iv.

21. Outline four features of a supermarket .(4mks)

- i.
- ii.
- iii.
- iv.

22. List four functions of an entrepreneur as a factor of production. (4mks)

- i.
- ii.
- iii.
- iv.

23. State four barriers to effective communication. 4mks

- i.
- ii.
- iii.
- iv.

24. Outline four circumstances under which non-verbal signs may be used.(4mks)

- i.
- ii.
- iii.
- iv.

25. Identify four circumstances under which air transport would be suitable for a business.

- i.
- ii.
- iii.
- iv.

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