

Name _____ Class _____ AdmNo _____

Date _____ Sign _____

2019

2019 TERM 2 EXAM

FORM TWO

BUSINESS STUDIES

TIME: 2 HOURS

INSTRUCTIONS:

- a). Write your name, class and Admission number in the spaces provided above.
- b). Answer all the questions
- c). All answers must be written in the space provided in this booklet.

For examiners use only.

Question	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Candidate score															

Question	16	17	18	19	20	21	22	23	24	25
Candidate score										

TOTAL MARKS

1. Outline four sources of capital for a sole-proprietorship type of Business. (4mks)

- a)
- b)
- c).....
- d)

2. Classify the following trade as home trade or foreign trade.

Trade	Classification
a)Import trade	
b)Retail trade	
c) Export trade	
d) Wholesale trade	

3. State four disciplines that are studied in Business studies. (4mks)

- a)
- b)
- c).....
- d)

4. List four ways in which government creates a viable working environment for business people. (4mks)

- a)
- b)
- c).....
- d)

5. Highlight four external factors that may negatively influence the operation of a business. (4mks)

- a)

- b)
- c).....
- d)

6. Outline four characteristics of secondary wants. (4mks)

- a)
- b)
- c).....
- d)

7. Highlight four benefits of proper filling to a business organization. (4mks)

- a)
- b)
- c).....
- d)

8. Highlight four factors that may lead to success of a business. (4mks)

- a)
- b)
- c).....
- d)

9. Outline four advantages of division of labour. (4mks)

- a)
- b)
- c).....
- d)

10. State four types of complaints that consumer organization may receive from consumers. (4mks)

- a)
- b)
- c).....
- d)

11. State four circumstances under which co-operative society may be dissolved. (4mks)

- a)
- b)
- c).....
- d)

12. List four forms of retail businesses that a school leaver may engage in. (4mks)

- a)
- b)
- c).....
- d)

13. Highlight any four personal attributes that a personal secretary should possess. (4mks)

- a)
- b)
- c).....
- d)

14. A business opportunity exist where there is a market gap. Outline four such market gaps. (4mks)

- a)
- b)

- c).....
- d)

15. In the spaces provided below, indicate the type of utility created by each of the following business activities.

Commercial activity	Types Utility
a) Selling goods to customers	
b) Transporting goods.	
c) Store keeping	
d) Making chair	

16. Give four differences between goods and services. (4mks)

- a)
- b)
- c).....
- d)

17. State whether each of the following factors fall under micro-environment or macro-environment. (4mks)

- a) Competitive environment.
- b) Legal-political environment.
- c) Business structure
- d) Business culture.

18. Give four public utilities that the county government of Meru provides to its citizens. (4mks)

- a)
- b)
- c).....
- d)

19. List four contents of memorandum of association. (4mks)

- a)
- b)
- c).....
- d)

20. Outline four circumstances under which a trader would prefer to be paid in cash rather than other means of payments. (4mks)

- a)
- b)
- c).....
- d)

21. Outline four factors that should be considered before buying office equipment. (4mks)

- a)
- b)
- c).....
- d)

22. Reasons why a business should prepare a business plan.

- a)
- b)
- c).....
- d)

23. For each of the following production activities indicate whether it is a direct or indirect type of Production.

Activity	Types of production
a) An individual washing his own clothes	
b) An individual supplying beef.	

c) An individual operating a kiosk	
d) An individual producing maize for his family's consumption	

24. State four roles of the Nairobi Stock Exchange Market as a market for securities. (4mks)

- a)
- b)
- c).....
- d)

25. Outline four characteristics of a supermarket. (4mks)

- a)
- b)
- c).....
- d)