

NAME:.....ADM NO.....
CLASS:.....SIGN

FORM 2

CAT I TERM II

BUSINESS STUDIES

TIME: 2hrs

May 2016

ST. TERESA'S OPANGA SECONDARY SCHOOL

INSTRUCTIONS

- Write your name and admission number in the spaces provided.
- Answer **ALL** the questions in this question paper.
- All your answers must be written in the spaces provided.
- This paper consists of 3 printed pages.
- Candidates should check the question paper to ensure that all pages are printed as indicated and no questions are missing

For Examiners Use Only

Question	Max score	Student score
1-9	40	

1. Highlight four disadvantages of office machine. (4mks)

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2. Explain the differences between the following goods. (2mks)
- i. Free goods and economic goods

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- ii. Intermediate goods and finished goods (2mks)

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3. State the difference between private limited company and public limited company. (4mks)

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4. Identify the level of production and give examples (4mks)

Level	Nature	
Primary	Extraction	
Secondary	Processing	
	Construction	
Tertiary	Direct personal service	

5. Explain four sources of capital for cooperatives. (4mks)

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6. Highlight four mailing similes that facilitate communication (4mks)

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7. State four ways in which warehousing benefits business. (4mks)

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8. Highlight four importance of trade to the society members. (4mks)

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9. State the function of each of the following office equipment. (4mks)

Composite machine

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Franking machine

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Guilotine machine

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Shredding machine

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10. State four merits of marine transport. (4mks)

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11. Highlight four essentials of an effective communication. (4mks)

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12. Outline four advantages of open layout? (4mks)

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13. State the meaning of the following terms as used in insurance (4mks)
Policy

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Premium

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Actuaries

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Insured

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14. Highlight four characteristics of sole proprietorship. (4mks)

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15. State the rewards for the following factors of production. (4mks)
Quarry

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Business Loan

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Business Managers

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Business Owners

16. Highlight four advantages of division of labor. (4mks)

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17. Highlight four ways in which clothing satisfies human wants. (4mks)

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