**NAME………………………………………………...……………………………………….…………………..**

**SCHOOL………………………………….……………………………………………….………….…………..**

**ADM NO.………………………………. DATE……………………..…………………………………..**

**STUDENT’S SIGN……………………....**

**BUSINESS**

**END TERM 2 2014**

**Time: 2 Hours**

## EDUCATOR EXAM SERIES

**FORM ONE**

## INSTRUCTIONS TO STUDENTS

 1. Answer all questions in this question paper.

 2. All your answers must be written in the spaces provided in this question paper.

1. State **FIVE** characteristics which are unique to goods. (5mks)
2. …………………………………………………………………………………………………………………………………………………………
3. …………………………………………………………………………………………………………………………………………………………
4. …………………………………………………………………………………………………………………………………………………………
5. …………………………………………………………………………………………………………………………………………………………
6. ………………………………………………………………………………………………………………………………………………………..
7. Explain the meaning of the following concepts as used in business:
8. Scarcity…………………………………………………………………………………………………………………………………(2mks)…………………………………………………………………………………………………………………………………………………..
9. Choice……………………………………………………………………………………………………………………………………(2mks)………………………………………………………………………………………………………………………………………………………..
10. Opportunity cost: ………………………………………………………………………………………………………………… (1mks)

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

1. Explain **FIVE** reasons why sometime it becomes difficult to satisfy human wants. (5mks)

i) ………………………………………………………………………………………………………………………………………………………...

ii) ………………………………………………………………………………………………………………………………………………………...

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

1. …………………………………………………………………………………………………………………………………………………………
2. State **FIVE** characteristics of economic resources. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

5. State**FIVE** factors which constitutes external environment of a business. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

6. Mention **FIVE** roles of business in the society. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

7. State**FIVE** emerging issues in business environment.(5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

8. Give **FIVE** distinguishing features of services. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

9. Mention any **FIVE** business activities existing in your community. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

10. Highlight **FIVE** characteristics of human wants. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

11. State **FIVE** ways in which exploitation of resources may be harmful to a country. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

12. Mention **FIVE** factors which constitute an internal business environment. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

13. Indicate with a tick as to whether each of the following resources is either **Renewable** or non-**Renewable**economic resources**.**(5mks)

|  |  |  |
| --- | --- | --- |
|  **Resources** | **Renewable resource** | **Non-renewable resource** |
| Coal |  |  |
| Leather |  |  |
| Gravel |  |  |
| Solar energy |  |  |
| wood |  |  |

14. State **FIVE** reasons why it necessary to make a choice in the satisfaction of human wants. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

15. Mention **FIVE** effects of business environment. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

16. Highlight any **FIVE** types of economic resources. (5mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

v) …………………………………………………………………………………………………………………………………………………………

17. Tick appropriately each of the following human wants as either basic or secondary. (5mks)

|  |  |  |
| --- | --- | --- |
| **Want** | **Basic** | **Secondary** |
| Education |  |  |
| Security |  |  |
| Shoe |  |  |
| Food |  |  |
| Phone  |  |  |

18. Highlight **FIVE** differences between goods and services. (5mks)

|  |  |  |
| --- | --- | --- |
|  | **Goods** | **Services** |
| i) |  |  |
| ii) |  |  |
| iii) |  |  |
| iv) |  |  |
| v |  |  |

19. Highlight **FOUR** branches of business as a discipline of study. (4mks)

i) …………………………………………………………………………………………………………………………………………………………

ii) …………………………………………………………………………………………………………………………………………………………

iii) …………………………………………………………………………………………………………………………………………………………

iv) …………………………………………………………………………………………………………………………………………………………

20. Briefly explain the meaning of the following terminologies as used in business.

i) Resource (2mks) ……………………………………………………………………………………………………………………………………………………………..…………………………………………………………………………………………………………………………………………………….

ii) Environment (2mks) ……………………………………………………………………………………………………………………………………………………………..…………………………………………………………………………………………………………………………………………………….

iii) want (2mks) ……………………………………………………………………………………………………………………………………………………………..…………………………………………………………………………………………………………………………………………………….