**SUNSHINE SECONDARY SCHOOL**

**FORM 2**

**BUSINESS STUDIES**

**END EXAMS – OCT. 2014**

**TIME: 2 HRS**

**NAME: …………………………………………………….ADM NO:……..CLASS: …………**

1. Highlight the following terms as used in business studies. (4 mks)
2. Economics -…………………………………………………………………...………..

…………………………………………………………………………………………..

1. Production -……………………………………………………………………………..

…………………………………………………………………………………………..

1. Entrepreneurship -……………………………..………………………………………..

…………………………………………………………………………………………..

1. Accounting -……………………...……………………………………………………..

…………………………………………………………………………………………..

1. If two people take similar life insurance policies what reasons may make an insurance company require one of them to pay higher premiums than the other. (4 mks)
2. …………………………………………………………………………………………..
3. …………………………………………………………………………………………..
4. …………………………………………………………………………………………..
5. …………………………………………………………………………………………..
6. …………………………………………………………………………………………..
7. Outline four benefits to an entrepreneur who prepares a business plan. (4 mks)
8. …………………………………………………………………………………………..
9. …………………………………………………………………………………………..
10. …………………………………………………………………………………………..
11. …………………………………………………………………………………………..
12. State whether the following constitute internal or external environment of a business.

(4 mks)

|  |  |  |
| --- | --- | --- |
|  | **Factor** | **Environment** |
| (i) | Human resource |  |
| (ii) | Socio cultural |  |
| (iii) | Business management |  |
| (iv) | Government policies |  |

1. Highlight four features that distinguish co-operative movements from other forms of business units. (4 mks)
2. …………………………………………………………………………………………..
3. …………………………………………………………………………………………..
4. …………………………………………………………………………………………..
5. …………………………………………………………………………………………..
6. Outline any four advantages of personal selling as a method of product promotion. (4 mks)
7. …………………………………………………………………………………………..
8. …………………………………………………………………………………………..
9. …………………………………………………………………………………………..
10. …………………………………………………………………………………………..
11. Give four reasons why you would prefer to have your own warehouse as a producer. (4 mks)
12. …………………………………………………………………………………………..
13. …………………………………………………………………………………………..
14. …………………………………………………………………………………………..
15. …………………………………………………………………………………………..
16. Outline any four reprographic methods. (4 mks)
17. …………………………………………………………………………………………..
18. …………………………………………………………………………………………..
19. …………………………………………………………………………………………..
20. …………………………………………………………………………………………..
21. Outline any four trends used in office management. (4 mks)
22. …………………………………………………………………………………………..
23. …………………………………………………………………………………………..
24. …………………………………………………………………………………………..
25. …………………………………………………………………………………………..
26. State any four characteristics of an economic resource. (4 mks)
27. …………………………………………………………………………………………..
28. …………………………………………………………………………………………..
29. …………………………………………………………………………………………..
30. …………………………………………………………………………………………..
31. State any four features of a supermarket. (4 mks)
32. …………………………………………………………………………………………..
33. …………………………………………………………………………………………..
34. …………………………………………………………………………………………..
35. …………………………………………………………………………………………..
36. State any five limitations of using credit cards. (4 mks)
37. …………………………………………………………………………………………..
38. …………………………………………………………………………………………..
39. …………………………………………………………………………………………..
40. …………………………………………………………………………………………..
41. …………………………………………………………………………………………..
42. Highlight any four benefits of pooling risks to an insurance firm. (4 mks)
43. …………………………………………………………………………………………..
44. …………………………………………………………………………………………..
45. …………………………………………………………………………………………..
46. …………………………………………………………………………………………..
47. State four reasons why a business unit would continue to advertise its products even if it still exists in the market. (4mks)
48. …………………………………………………………………………………………..
49. …………………………………………………………………………………………..
50. …………………………………………………………………………………………..
51. …………………………………………………………………………………………..
52. State four benefits that accrue to a large consumer who buys directly from the producer. (4 mks)
53. …………………………………………………………………………………………..
54. …………………………………………………………………………………………..
55. …………………………………………………………………………………………..
56. …………………………………………………………………………………………..
57. Give four ways in which production activities may negatively affect the community.

(4 mks)

1. …………………………………………………………………………………………..
2. …………………………………………………………………………………………..
3. …………………………………………………………………………………………..
4. …………………………………………………………………………………………..
5. Mr. Njoroge owns Naikuru supermarket chain stores. State any four insurance policies that he is likely to have taken. (4 mks)
6. …………………………………………………………………………………………..
7. …………………………………………………………………………………………..
8. …………………………………………………………………………………………..
9. …………………………………………………………………………………………..
10. State four clauses contained in the memorandum of Association of a company. (4 mks)
11. …………………………………………………………………………………………..
12. …………………………………………………………………………………………..
13. …………………………………………………………………………………………..
14. …………………………………………………………………………………………..
15. The following description relate to some documents used in home trade. State the document in question.

|  |  |  |
| --- | --- | --- |
|  | **Statement** | **Document** |
| (i) | Seeks information on the availability of products and their prices. |  |
| (ii) | Shows products and quantity required |  |
| (iii) | Describes items for sale and their prices |  |
| (iv) | Sent to specific buyer detailing the availability of products and their prices. |  |

1. State any four functions of an entrepreneur. (4 mks)
2. …………………………………………………………………………………………..
3. …………………………………………………………………………………………..
4. …………………………………………………………………………………………..
5. …………………………………………………………………………………………..
6. Mention any four reasons communication between any two parties may be ineffective. (4 mks)
7. …………………………………………………………………………………………..
8. …………………………………………………………………………………………..
9. …………………………………………………………………………………………..
10. …………………………………………………………………………………………..
11. Outline four ways through which the government can participate in the operations of a parastatal.
12. …………………………………………………………………………………………..
13. …………………………………………………………………………………………..
14. …………………………………………………………………………………………..
15. …………………………………………………………………………………………..
16. Outline any four benefits to a trader who uses e-mail to communicate. (4 mks)
17. …………………………………………………………………………………………..
18. …………………………………………………………………………………………..
19. …………………………………………………………………………………………..
20. …………………………………………………………………………………………..
21. State any four complaints that a consumer organization may receive from consumers.

(4 mks)

1. …………………………………………………………………………………………..
2. …………………………………………………………………………………………..
3. …………………………………………………………………………………………..
4. …………………………………………………………………………………………..
5. Outline any four limitations of using containers (containerization in transport. (4 mks)
6. …………………………………………………………………………………………..
7. …………………………………………………………………………………………..
8. …………………………………………………………………………………………..
9. …………………………………………………………………………………………..