**HOLA SECONDARY SCHOOL**

**MID TERM EXAMINATION**

**BUSINESS STUDIES**

**YEAR 2017**

**TERM ONE**

**FORM 1**

**TIME: 2 HOURS**

**NAME\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_CLASS\_\_\_\_\_\_\_\_\_ADM/NO.\_\_\_\_\_\_\_\_\_\_\_**

**INSTRUCTIONS: ANSWER ALL QUESTIONS**

**1.** Define Business studies. (2mks)

2. Explain the meaning of the following terms. (3mks)

a) Production

b) Distribution

c) Entrepreneurship

3. State the term given to each of the following disciplines. (3mks)

a) Study of trade

b) Study of activities that are carried out in an office

c) Study of systematic procedures of recording organizations transactions.

4. Outline four reasons as to why students should be encouraged to study Business Studies. (4mks)

5. Explain the meaning of a Business. (2mks)

6. List any two types of Business activities carried out in an economy. (2mks)

7a) Define a business environment. (1mk)

b) State three factors that constitute the internal environment of a business. (3mks)

8. State four characteristics of Human wants. (4mks)

9. Differentiate between basic wants and secondary wants. (2mks)

10. State any four characteristics of goods. (4mks)

11. Outline four differences between goods and services. (4mks)

|  |  |
| --- | --- |
| **Goods** | **Services** |
|  |  |

12. State four characteristics of Economic resources. (4mks)

13. Classify each of the following as either renewable or non-renewable resources. (4mks)

a) Wood

b) Coal

c) Soda ash

d) Natural gas

14. Highlight four types of utility. (4mks)

15a) Define Direct production. (1mk)

b) State four characteristics of Direct Production. (4mks)

16. Completer the following table. (6mks)

|  |  |
| --- | --- |
| **Level Production** | **Examples of Occupation** |
| Primary | i) |
| ii) |
| Secondary | i) |
| ii) |
| Tertiary | i) |
| ii) |

17. State four factors of production. (4mks)

18a) Explain the meaning of specialisation in Business. (1mk)

b) State three advantages of division of labour and specialization. (3mks)

19. Distinguish producer goods from consumer goods. (2mks)