**NAME: ……………………………………………ADM.NO.…………….STREAM…………**

**BUSINESS STUDIES FORM TWO**

**END TERM EXAM – TERM TWO 2015.**

* **Answer all questions in the spaces provided.**
1. Outline four features of land as a factor of production. (4 marks)
2. Highlight four circumstances under which cash payment is appropriate. (4 marks)
3. State four disadvantages of a public ware house. (4 marks)
4. Outline four advantages of telephone as a means of verbal communication. (4 marks)
5. Give four functions of the Kenya external trade authority. (4 marks)
6. State four types of complaint that a consumer organization may receive from consumers.

 (4 marks)

1. State the unit of carriage for each of the following modes of transport. (5 marks)

|  |  |
| --- | --- |
| **Mode of transport** | **Unit of carriage** |
| 1. Portage
 |  |
| 1. Sea
 |  |
| 1. Road
 |  |
| 1. Cartage
 |  |
| 1. Air
 |  |

1. State four ways in which transport promotes trades. (4 marks)
2. Give four reasons why a person would send a message by mail rather than by telephone.

 (4 marks)

1. Explain five barriers to effective communication. (5 marks)
2. Explain any two types of wholesalers. (4 marks)
3. Identify the type of utility that is associated with the following activities. (4 marks)

|  |  |
| --- | --- |
| **Activities** | **Type of utility**  |
| 1. Storage/warehousing
 |  |
| 1. Manufacturing processing producing, assembling
 |   |
| 1. Selling/wholesaling/Retailing
 |  |
| 1. Transporting, Distribution
 |  |

1. Outline four benefits that may accrue to a business from a country’s political stability.

 (4 marks)

1. A lucrative manufacturing firm has been constantly releasing toxic wastes into the neighbourhood. Outline four measures you can take stop the firm from such malpractice.

 (4 marks)

1. Highlight four circumstances under which credit payment is appropriate. (4 marks)
2. Outline four characteristics of direct production. (4 marks)
3. The table blow contains description relating to some types of warehouses in the space provided; write the type of warehouse to which each description refers. (4 marks)

|  |  |
| --- | --- |
| **Description** | **Type** |
| 1. Used to store export and import goods
 |  |
| 1. Anybody can rent space in it for storing goods temporarily
 |  |
| 1. Operated for owners exclusive use
 |  |
| 1. Owned and operated by manufactures and farmers
 |  |