**FORM 2**

**BUSINESS STUDIES**

**TERM 2 2022 OPENER EXAM FORM 2**

**NAME……………………………………………….……….CLASS……..…….ADM……..…**

 **Time: 1 hour 30 min**

Instructions

*Answer all the questions in the spaces provided* **(70MKS)**

1. State **four** sources of capital for a sole proprietorship business. (4mks)

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

1. State **four** advantages of open office layout.(4mks)

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

1. Identify **four** clauses constituent in the memorandum of association. (4mks)

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

1. State **four** principles governing the operations of co-operative societies. (4mks)

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

1. Highlight **four** circumstances under which a cheque may be dishonored. (4mks)

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

1. State **four** roles of office in an organisation.(4mks)

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

1. State **four** roles of Nairobi stock exchange market as a market for securities. (4mks)

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

1. State **four** characteristics of basic human wants. (4mks)

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

1. Identify the utility created by the following activities. (4mks)

(i)manufacturing\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(ii)transport\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(iii)warehousing\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(iv)trade\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Match the **four** factors of production with their respective rewards.(8mks)

|  |  |
| --- | --- |
| **factor** | **reward** |
| (i) |  |
| (ii) |  |
| (iii) |  |
| (iv) |  |

1. State **four** services rendered by retailers to consumers. (4mks)

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

1. Give **four** elements that makes up the internal business environment. (4mks)

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

1. Highlight any **four** uses of computer in an office. (4mks)

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

1. Identify the **four** essential elements of transport.(4mks)

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

1. State **four** disadvantages of air transport. (4mks)

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

1. State **four** factors to consider when selecting means of transport. (4mks)

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

1. Name the **two** types of shares.(2mks)

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