**NAME………………………………….ADM…….CLASS…**

**BUSINESS STUDIES**

**FORM ONE**

**END OF TERM 2 EXAMINATION**

**TIME: 2 HOURS**

**INSTRUCTIONS**

**ANSWER ALL QUESTIONS IN THE SPACES PROVIDED**

**1.** Outline four types of economic resources (4 marks)

a.

b.

c.

d.

**2.** State the terms given to the descriptions below

|  |  |  |
| --- | --- | --- |
|  | **Description** | **Term** |
| A | Study of how human beings strive to satisfy their unlimited wants using limited resources |  |
| B | Activities that are carried out in and around production , distribution and consumption of goods and services |  |
| C | Increasing the usefulness of goods and services |  |
| D | Systematic way of recording business activities which are used for decision making |  |

**3.** Outline four ways in which documents can be reproduced (4 marks)

a.

b.

c.

d.

**4.** Indicate with a tick in the spaces provided below as to whether each of the resources as renewable or non-renewable (4 marks)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Resource | Renewable | Non-renewable |
| A | Solar energy |  |  |
| B | Oil |  |  |
| C | Water |  |  |
| D | Soda ash |  |  |

**5.** Outline four gaps in the market that may give rise to a business opportunity (4 marks)

a. .

b.

c.

d.

**6.** Name two occupations that relate to each of the following activities (4 marks)

(a)Extraction (i)

(ii)

(b)Construction (i)

(ii)

**7.** Outline four importance of business studies to a learner (4 marks)

a.

b.

c.

d.

**8.** Given below are functions of office equipment. Identify the name of the equipment against the rightful use

|  |  |  |
| --- | --- | --- |
|  | Functions of the machine | Office equipment |
| A | Used in posting information to ledgers and preparing payroll |  |
| B | To transmit printed messages such as photographs , letters and maps |  |
| C | Usually fireproofs where important documents in an organization are stored |  |
| D | Used to carry out many functions such as storing information , typing and performing complex calculation |  |

**9.** Outline four reasons that make it difficult to satisfy human wants (4 marks)

a.

b.

c.

d.

**10.** Classify each of the following into generic or enterprise competition

|  |  |  |
| --- | --- | --- |
|  | Description | Generic/Competition |
| A | A coffee seller competing with a tea seller |  |
| B | Kenya Literature Bureau competing with Longhorn publishers in book selling |  |
| C | Alliance girls competing with Starehe girls in academic excellence |  |
| D | Imported shoe company competing with Local shoe manufacturing company |  |

**11.** Classify the following forms of production primary, secondary or tertiary (4 marks)

|  |  |  |
| --- | --- | --- |
|  | Form of production | Classification |
| A | Retailing |  |
| B | Farming |  |
| C | Transportation |  |
| D | House building |  |

**12.** State the term represented by the following descriptions. ( 4 marks )

|  |  |  |
| --- | --- | --- |
|  | Description | Term |
| A | This is the value of the best next alternative foregone when acquiring something |  |
| B | This means limited or not adequate in supply |  |
| C | Selecting that human wants to satisfy first based on the scale of preference |  |
| D | Use of a good or service to satisfy human wants |  |

**13.** Outline four features of labour as a factor of production (4 marks)

a.

b.

c.

d.

**14.** State four qualities of a good office messenger (4 marks)

a.

b.

c.

d.

**15.** Highlight four characteristics of secondary wants (4 marks)

a.

b.

c.

d.

**16.** Highlight four advantages of indirect production (4 marks)

a.

b.

c.

d.

**17.** State whether each of the following activities would satisfy basic or secondary wants

|  |  |  |
| --- | --- | --- |
|  | Activity | Basic or secondary |
| A | Buying clothes for the family |  |
| B | Transporting farm produce |  |
| C | Providing food for children |  |
| D | Entertaining a guest |  |

**18.** State the reward of each of the following factors of production

|  |  |  |
| --- | --- | --- |
|  | Factor of production | Reward |
| A | Engineer |  |
| B | Soil |  |
| C | Business person |  |
| D | Plough |  |

**19.** Outline four factors that may lead to the success of business (4 marks)

a.

b.

c.

d.

**20.** Outline four functions of an entrepreneur (4 marks)

a.

b.

c.

d.

**21.** Explain five types of business activities (10 marks)

a.

b.

c.

d.

e.

**22.** Explain five problems that may be experienced by a new entrepreneur who is intending to start a business in Kenya (10 marks)