**SUNRISE EVALUATION EXAMS FORM 2**

***Kenya Certificate of Secondary Education (K.C.S.E)***

**Name…………………………………………………………………Adm No….………… Class………**

**School …………………………………………………………………….. Candidates Signature………….**

**Date………………….**

 **GRAND TOTAL**

**565/1 & 2**

**BUSINESS STUDIES**

**Form 2**

**Time: 2 Hours**

**INSTRUCTIONS TO CANDIDATES**

1. *Answer all the questions in the spaces provided.*

**For Examiner’s Use Only**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Question No** | **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** | **13** |
| **Marks** |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Question No** | **14** | **15** | **16** | **17** | **18** | **19** |
| **Marks** |  |  |  |  |  |  |

1. Mention **four** characteristics of goods. (4mks)

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

1. State **four** measures that the government may employ to regulate and control business activities. (4mks)

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1. Identify d**ocuments** that relates to the following statements. (4mks)

|  |  |
| --- | --- |
| **Statement**  | **Document**  |
| Corrects an overcharge |  |
| Shows amount expected from a number of transaction in a given period |  |
| It’s a booklet containing brief description of goods sold. |  |
| Demand for payment after delivery of goods on credit. |  |

1. Outline four trends in transport sector. (4mks)

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1. Give **four** benefits of a partitioned office layout (4mks)

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1. Outline **four** barriers to effective communication (4mks)

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1. Outline **four** reasons for dishonouring a cheque (4mks)

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1. Mention **four** disciplines that constitute business studies (4mks)

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1. The bodaboda motorcycles are very popular both in urban and rural environment.

Highlight **four** disadvantages of this method of transport. (4mks)

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1. Highlight **four** methods government gets involved in business activities. (4mks)

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1. State whether the following factors constitute internal or external environment to a

business. (4mks)

|  |  |
| --- | --- |
| **Factor** | **Environment** |
| Shareholders resolutions |  |
| Firms physical infrastructure |  |
| Currency exchange rate |  |
| Cost of finance |  |

1. Highlight **Four** characteristics of capital as a factor of production. (4mks)

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1. Outline **four** ways in which the problem of scarce resources can be addressed by a consumer.

(4mks)

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1. Mention **four** types of utilities with the relevant production activity associated with each. (4mks)

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1. Outline **four** challenges that might be faced by an entrepreneur who fails to prepare business plan. (4mks)

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1. Explain five differences between a public corporation and a private limited company (10mks)

|  |  |
| --- | --- |
| Public | Private |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

1. State and explain five circumstances under which cash on delivery will be preferable

rather than the use of cheque in transaction (10mks)

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1. Explain five importance of transport to a business person (10mks)

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1. Explain five factors that an entrepreneur would consider when evaluating a business

idea. (10mks)

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