

Name: _____ Adm No.: _____

Candidate's Signature: _____ Date: _____

565/1
BUSINESS STUDIES
Time: 2 hours

GIDEONS ELITE BOYS CENTRE OF EXCELLENCE DECEMBER SELF-ASSESSMENT EXAMINATIONS

FORM TWO

Kenya Certificate of Secondary Education

565/1

FORM 2

BUSINESS STUDIES

TIME: 2hours

INSTRUCTIONS

Answer ALL the questions in the spaces provided.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

16	17	18	19	20	21	22	23	24	

This paper consists of 6 printed pages. Candidates should check the question paper to ascertain that all pages are printed as indicated and that no pages are missing

1. Highlight four factors of production (4mks)

- i)
- ii)
- iii)
- iv)

2. Define the term parastatals (2mks)

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3. Highlight four sources of business idea (4mks)

- i)
- ii)
- iii)
- iv)

4. Outline four advantages of enclosed office layout (4mks)

- i)
- ii)
- iii)
- v)

5. Highlight four characteristics of itinerant traders. (4mks)

- i)
- ii)
- iii)
- iv)

6. Outline four essential elements of transport. (4mks)

- i)
- ii)
- iii)
- iv)

7. Classify each of the following activities in its appropriate level of production. (4mks)

Activities	Level of production
i) Farming	
ii) Entertainment	
iii) Nursing	
iv) Road construction	

8. What are disadvantages of human portorage (4mks)

- i)
- ii)
- iii)
- iv)

9. Name three modes of transport (3mks)

- i)
- ii)
- iii)

10. Highlight four characteristics of a bonded warehouse. (4mks)

- i)
- ii)
- iii)
- iv)

11. Outline four disadvantages of face to face communication (4mks)

- i)
- ii)
- iii)
- iv)

12. State the type of utility created in the following activities. (4mks)

Activity	Utility
i)Grinding maize	
ii)Storing maize	
iii)Miller transporting maize floor	
iv)Selling maize floor in a shop	

13. Highlight four factors to consider when choosing means of communication (4mks)

- i)
- ii)
- iii)
- iv)

14. Highlight five Principles of co-operatives (5 mks)

- i)
- ii)
- iii)
- iv)
- vi)

15. Differentiate between pure risk and speculative risk. (2mks)

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16. Identify sources of capital in sole proprietorship. (4mks)

- i)
- ii)
- iii)
- iv)

17. State the principles described in the following statements. (5mks)

- i) The insured should reveal all the relevant information about the subject matter whether asked for or not_____
- ii) The wife may insure the life of her husband_____
- iii) The damaged properties belongs to the insurer and not the insured.

- iv) If one insures in two or more company on the same risk, all the insurers will indemnify the insured proportionately_____
- v) There must be a very close relationship between the loss suffered and the risk insured against_____

18. Highlight four characteristics of general insurance.

(4 mks)

- i)
- ii)
- iii)
- iv)
- vi)

19. Explain five differences between a partnership and a public limited liability company

(10 mks)

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20. Explain five methods of government involvement in business activities. (10 mks)

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21. Kenya Standard Gauge Railway(SGR) is the one of Kenya's biggest infrastructure project since independence. Explain the disadvantages of trains that maybe associated with it (10mks)

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