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

**END TERM 2**

**BUSINESS STUDIES**

**FORM 2**

**TIME: 1 ½ HOURS**

**Instructions.**

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

1.State **Four** reasons why it is difficult to satisfy human wants. (4mks)

2.State any **Five** clauses contained in the memorandum of association. (5mks)

3.State the nature of the following production activities (4mks)

|  |  |
| --- | --- |
| Activity  | Nature  |
| (a)Flour milling |  |
| (b)Bread baking |  |
| (c)Cloth making |  |
| (d)Cotton ginning |  |

4.State **Four** situations that indicate existence of a business opportunity. (4mks)

5.Highlight any **Four** roles that are played by ethics in businesses. (4mks)

6.Identify **Four** roles that equipments play in an office. (4mks)

7.Outline **Four** circumstances under which a partnership may be dissolved. (4mks)

8.State **Three** ways in which government may regulate business activities. (3mks)

9.Outline the sources of capital for co-operatives. (4mks)

10.Highlight **Five** factors to be considered when selecting office equipment. (5mks)

11.Highlight the contents of articles of association. (4mks)

12.Give **Four** essential elements of transport. (4mks)

13.Highlight **Five** importance of transport to business. (5mks)

14.Highlight **Four** reasons for studying business studies in Kenya. (4mks)

15.Name **Four** accounting documents that are used in home trade.

16. Identify **Four** elements of effective communications. (4mks)

17.Identify **Four** common means of verbal communication. (4mks)