**NAME \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ADM NO \_\_\_\_\_\_\_**

**BUSINESS STUDIES**

**565**

**JULY/AUGUST EXAMINATIONS 2021**

**TIME: 2 HOURS**

**FORM TWO**

**INSTRUCTIONS**

1. Attempt all questions

**SECTION A**

1. Outline four characteristics of basic human wants. (4 marks)
2. Outline four essential elements of a good warehouse. (4 marks)
3. State four documents required by the registrar of companies in order to register a company. (4 marks)
5. Outline four characteristics of a chain store. (4 marks)
6. State four reasons why motorcycles are popular as means of transport. (4 marks)
7. Highlight four challenges that entrepreneur face when carrying out business activities. (4 marks)
8. State four ways in which goods and services are classified. (4 marks)
9. Outline four features of land as a factor of production. (4 marks)
10. Identify four circumstances under which air transport would be suitable to a business enterprise. (4 marks)
11. State four reasons why it is suitable to locate a bonded warehouse at the point of entry. (4 marks)
12. Highlight four effects of poor filing system in an organization. (4 marks)
13. Outline four types of business activities. (4 marks)
14. Mention three components of business studies. (3 marks)
15. Outline four disadvantages of specialization. (4 marks)
16. Highlight four ways in which government promotes entrepreneurship. (4 marks)
17. On 1st August 2013, Grace received an invoice for Shs.24,000 terms of payment were trade discount 10% and cash discount 20% if payment is done within 30 days. Determine the amount paid if payment was made on 28th August 2013. (4 marks)
18. Highlight four mailing services that are offered by a post office. (4 marks)
19. Mention four gaps that may exist in a market leading to a business opportunity. (4 marks)
20. State four circumstances when cash may be used as a means of payment. (4 marks)
21. Highlight three ways in which Kenya Association of Manufacturers (KAM) ensure that their members do not exploit the consumers. (3 marks)
22. Identify four qualities of an office messenger. (4 marks)
24. State four challenges that a business without a plan will encounter in its operations. (4 marks)
25. Highlight four reasons for privatization of public cooperation. (4 marks)

**SECTION B**

1. Jane and Joyce are two lawyers who want to start a joint law firm. Explain five limitations they may face during the operations of their business. (10 marks)