

**FORM 2 BUSINESS STUDIES**

1. State the term given to each of the following statements.(4mks)

Statement	Term
a. Movement of goods and services from producers to consumers	
b. Creation of goods and services	
c. Using a good or service	
d. Satisfaction derived from using a good or a service.	

2. Give four sources of business ideas.(4mks)

3. Under what circumstances would cash with order (c.w.o) be appropriate in a business.(4mks)

4. Outline four principles of cooperatives (4mks)



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

9. State four factors of production giving a reward for each.(4mks)

10. Identify the macro-environmental factors affecting business operations as described by the following.

Statement	Factor
a. Law and policies that regulate business activities.	
b. Affects buyer's ability to buy commodities offered by a business.	
c. Firms selling similar products trying to outdo each other.	
d. Dictates how people live and what products they consume.	

11. Give four reasons why office documents should be filed.(4mks)

12. Outline four features of a supermarket (4mks)

13. Outline four reasons why choice is important in satisfaction of human wants.(4mks)

**SECTION B.**

**ANSWER ALL QUESTIONS IN THIS SECTION**

14. a. Explain three roles of an entrepreneur to an economy .(6mks)

b. Identify four characteristics of economic resources (4mks)

**15. a. A form four School leaver intends to start a business. Outline three ways in which knowledge of business studies will benefit him. (6mks)**