STUDENT'S NAME _____

THE UNITED REPUBLIC OF TANZANIA

PRIME MINISTER'S OFFICE

REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT

ENG. STELLA MANYANYA SECONDARY SCHOOL

FORM ONE ANNUAL EXAMINATION 2026

065 **BUSINESS STUDIES**

TIME: 03:00 HOURS **NOVEMBER 2026**

Instructions

1. This paper consists of sections A, B and C with a total of **nine (09)** questions.
2. Answer **all** questions.
3. Section A carries **fifteen (15)** marks, section B **forty (40)** marks and section C carries **forty- five (45)** marks.
4. All writing must be in **blue** or **black** ink.
5. Communication devices, and any unauthorized materials are **not** allowed in the examination room.

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SECTION A (15 Marks)

Answer **all** questions in this section

1. For each of the items (i)-(x), choose the correct answer from the given alternatives and write its letter in the box provided.

   i. Who is the final user of goods and services?

   A. Distributer C. Manufacturer

   B. Retailer D. Consumer ☐

   ii. Who starts, creates, and manages a new business?

   A. Leader C. Professional

   B. Manager D. Entrepreneur ☐

   iii. Which of the following is **NOT** regarded as a consumer need?

   A. Clothing C. Holiday

   B. Housing D. Water ☐

   iv. Which one among the following **IS NOT** an input for production?

   A. Land C. Consumer

   B. Capital D. Labour ☐

   v. One of the following alternatives **DOES NOT** explain the abilities possessed by an entrepreneur

   A. Innovation C. Risk avoidance

   B. Invention D. Motivation ☐

   vi. which of these is not true about the characteristics of sole proprietorship?

   A. Controlled by the owner

   B. High start-up capital ☐

   C. Owner takes all risks

   D. The business assets are not legally separated from the owner's assets

   vii. Which of the following is correct about business studies?

   A. Business studies deals with biology only

   B. It is divided into trade and aids to trade ☐

   C. Business studies has relationship with mathematics only

   D. Business studies is a multidisciplinary subject

   viii. Education provided by teachers, healthcare from doctors, and banking services offered by financial institutions are good examples of_____

   A. Economic goods C. Services

   B. Free goods D. Opportunity cost ☐

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ix. A carpenter who transforms raw wood into furniture is engaged in which business process?

A. Distribution C. Production

B. Exchange D. Consumption

x. If a student decides to spend money on buying textbooks instead of going for a school trip, the foregone school trip represents: _____

A. Scarcity C. Economic goods

B. Opportunity cost D. Wants

2. Match the items from Group A with those in Group B by writing the letter of a correct option in Group B that corresponds to an item in Group A

Group A	Group B
i. Goods which have high social benefits to consumers	A. Economic goods
ii. Goods which have short life span in nature	B. Wants
iii. Selling and buying of goods and services	C. Producer goods
iv. The inputs used to produce goods and services	D. Resources
v. Goods which are used to make other goods	E. Exchange
	F. Merit goods
	G. Production
	H. Perishable goods

Group A	i.	ii.	iii.	iv.	v.
Group B					

SECTION B (40 Marks)

Answer **all** questions in this section

3. With examples, explain the following business terms:

i. Business

_____

_____

ii. Resources

_____

_____

iii. Needs

_____

_____

iv. Sole proprietorship

_____

_____

v. Entrepreneurship

_____

_____

4. Goods and services are important in satisfying human needs and wants. Study the list below and identify whether each item is a **good** or a **service**. Write your answers in the space provided.

No.	Item/ Activity	Classification (Good or Service)
i.	Sound bar	
ii.	Bread	
iii.	Car repair	
iv.	Medical treatment	
v.	House cleaning	
vi.	Mobile phone	
vii.	Bus transportation	
viii.	Laptop	
ix.	Home theatre System	
x.	Bottled water	

5. Briefly outline five purposes of a business

i. _____
ii. _____
iii. _____
iv. _____
v. _____

6. Briefly identify four key business processes

i. _____
ii. _____
iii. _____
iv. _____

SECTION C (45 Marks)

Answer **all** questions in this section

7. Asha is a high school student who recently started learning Business Studies. In her first lesson, she learned that a business is an activity done to earn profit by providing goods or services. Her teacher explained that terms like entrepreneur, capital, profit and goods are commonly used in business. Asha also discovered that Business Studies is a subject that helps learners understand how businesses operate and how people earn a living through various economic activities.

Questions

i. What is the main goal of a business according to Asha's lesson?

_____

ii. Name and explain any two business terms Asha learned in her first lesson.

_____

_____

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_____

iii. What is Business Studies, according to the case study?

_____

_____

iv. According to the lesson, what two things can a business provide?

_____

_____

8. Elikana is a gifted artist who specializes in drawing portraits. After completing his college education, he decided to start his own business called ***Elikana Sketch Studio***. He works alone from a small studio in town, using his personal savings to buy drawing materials and rent space. Elikana manages all aspects of the business including customer service, marketing and accounting. His main challenges include low customer turnout during off-seasons, high cost of art supplies, and fatigue from working long hours.

Questions:

i. What kind of art does Elikana specialize in?

_____

ii. What is the name of Elikana's business?

_____

iii. Where does Elikana run his business from?

_____

iv. Mention two things Elikana used his savings for when starting his business.

1. _____ **2**. _____

v. State two challenges Elikana faces in running his art business.

1. _____

2. _____

9. People working in the field of entrepreneurship have special characteristics that enable them to carry out their duties and responsibilities effectively. The same applies to lawyers, doctors and in other professions. How is this statement correct to an entrepreneur? Give six [06] points

_____

_____

_____

_____

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