C A R I B B E A N E X A M I N A T I O N S C O U N C I L

CARIBBEAN SECONDARY EDUCATION CERTIFICATE®
EXAMINATION

"*"Barcode Area"*"
Front Page Bar Code

11 JANUARY 2022 (a.m.)

FILL IN ALL THE INFORMATION REQUESTED CLEARLY IN CAPITAL LETTERS.

TEST CODE | 0 | 1 | 2 | 4 | 0 | 0 | 2 | 0 |

SUBJECT PRINCIPLES OF BUSINESS – Paper 02

PROFICIENCY GENERAL

REGISTRATION NUMBER | | | | | | | | | | |

SCHOOL/CENTRE NUMBER					

NAME OF SCHOOL/CENTRE

CANDIDATE'S FULL NAME (FIRST, MIDDLE, LAST)

"*"Barcode Area"*"
Current Bar Code

DATE OF BIRTH | D | D | M | M | Y | Y | Y | Y |

SIGNATURE _____

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FORM TP 2022031

TEST CODE **01240020**

JANUARY 2022

CARIBBEAN EXAMINATIONS COUNCIL

CARIBBEAN SECONDARY EDUCATION CERTIFICATE®
EXAMINATION

PRINCIPLES OF BUSINESS

Paper 02 – General Proficiency

2 hours

READ THE FOLLOWING INSTRUCTIONS CAREFULLY.

1. This paper consists of FIVE questions. Answer ALL questions.
2. Write your answers in the spaces provided in this answer booklet.
3. Do NOT write in the margins.
4. You are advised to take some time to read through the paper and plan your answers.
5. If you need to rewrite any answer and there is not enough space to do so on the original page, you must use the extra lined page(s) provided at the back of this booklet. **Remember to draw a line through your original answer.**
6. **If you use the extra page(s) you MUST write the question number clearly in the box provided at the top of the extra page(s) and, where relevant, include the question part beside the answer.**

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO.

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Answer ALL questions.

1. Jane studied Principles of Business while attending high school and was inspired to own and operate a business in her community.

(a) State FOUR reasons why Jane would want to establish her own business.

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(4 marks)

(b) List THREE characteristics Jane would need to possess in order to become a successful entrepreneur.

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(3 marks)

(c) State THREE reasons why Jane should conduct a feasibility study prior to establishing her business.

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(3 marks)

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(d) State ONE role of any TWO stakeholders that will be involved in Jane's business.

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(4 marks)

(e) Explain TWO ways in which Jane's business could contribute to the social and economic development of her country.

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(6 marks)

Total 20 marks

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2. (a) State THREE reasons why it is important for a firm to have proper documentation in all of its business transactions.

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(3 marks)

(b) Outline the purpose of EACH of the following types of business documents.

(i) Pro forma invoice

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(2 marks)

(ii) Purchase requisition

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(2 marks)

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(c) List THREE types of non-life insurance policies.

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(3 marks)

(d) Describe TWO principles upon which insurance is based.

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(4 marks)

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(e) Explain TWO ways in which insurance could be used to lower the risks associated with business.

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(6 marks)

Total 20 marks

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3. (a) (i) Define the term 'public relations'.

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(2 marks)

(ii) Identify TWO types of public relations activities that are popular in the Caribbean.

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(2 marks)

(b) Outline TWO ways in which the public relations activities of a firm could benefit communities.

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(4 marks)

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(c) Describe THREE factors that influence consumer behaviour.

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(6 marks)

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(d) Explain TWO ways in which a government can protect consumers through its consumer organizations.

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(6 marks)

Total 20 marks

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4. (a) Define EACH of the following terms.

(i) Logistics

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(2 marks)

(ii) Supply chain operations

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(2 marks)

(b) State TWO differences between a 'bill of lading' and an 'airway bill'.

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(4 marks)

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(c) Outline THREE roles of transportation in the marketing of goods.

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(6 marks)

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(d) Explain TWO problems an agricultural firm may face when distributing bananas from the Caribbean to the USA.

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(6 marks)

Total 20 marks

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5. (a) (i) State TWO functions of the Caribbean Community (CARICOM).

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(2 marks)

(ii) State TWO benefits Caribbean countries may enjoy as members of CARICOM.

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(2 marks)

(b) Define the term 'foreign direct investment' (FDI).

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(2 marks)

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(c) State FOUR reasons why foreign businesses may be willing to invest in the Caribbean region.

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(4 marks)

(d) Outline TWO ways in which human resource development could assist in reducing the economic problems of CARICOM countries.

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(4 marks)

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(e) Explain TWO ways in which a local shoe manufacturing firm can use technology to boost its production levels.

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(6 marks)

Total 20 marks

END OF TEST

IF YOU FINISH BEFORE TIME IS CALLED, CHECK YOUR WORK ON THIS TEST.

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EXTRA SPACE

If you use this extra page, you MUST write the question number clearly in the box provided.

Question No. ☐

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CANDIDATE'S RECEIPT

INSTRUCTIONS TO CANDIDATE:

1. **Fill in all the information requested clearly in capital letters.**

TEST CODE: | 0 | 1 | 2 | 4 | 0 | 0 | 2 | 0 |

SUBJECT: PRINCIPLES OF BUSINESS – Paper 02

PROFICIENCY: GENERAL

REGISTRATION NUMBER: | | | | | | | | | | |

FULL NAME: _____

(BLOCK LETTERS)

Signature: _____

Date: _____

2. **Ensure that this slip is detached by the Supervisor or Invigilator and given to you when you hand in this booklet.**

3. **Keep it in a safe place until you have received your results.**

INSTRUCTION TO SUPERVISOR/INVIGILATOR:

Sign the declaration below, detach this slip and hand it to the candidate as his/her receipt for this booklet collected by you.

I hereby acknowledge receipt of the candidate's booklet for the examination stated above.

Signature: _____
Supervisor/Invigilator

Date: _____