

800/1  
S4 COMMERCE  
June/July, 2019  
2½ hours

Uganda Certificate of Education  
RESOURCEFUL MOCK EXAMINATIONS 2019  
COMMERCE  
2 hours 30 minutes

**INSTRUCTIONS**

- Section A is compulsory
- Choose any **four** questions from section B
- All questions carry equal marks
- Answers for both sections should be written on the answer sheet provided.

## SECTION A (20 MARKS)

1. Which factor of production is responsible for bearing risks of the business?
  - A. Land
  - B. Labour
  - C. Capital
  - D. Entrepreneurship
2. The distribution, exchange of goods and services, and activities that help in the movement of goods from the producer to the consumer is known as
  - A. production
  - B. commerce
  - C. Aids to trade
  - D. trade
3. The following factors affect the demand for a commodity except
  - A. income of consumers
  - B. price of the commodity
  - C. income of the producers
  - D. price of substitute goods
4. Identify the document issued by the seller to the buyer when goods are sold on credit
  - A. invoice
  - B. credit note
  - C. receipt
  - D. debit note
5. A retail unit which sells only products from one manufacturer is called
  - A. single shop
  - B. tied shop
  - C. super market
  - D. mobile shop
6. The organization responsible for controlling the quality of goods produced and imported in Uganda is
  - A. Uganda National chamber of Commerce
  - B. Uganda Investment Authority
  - C. Uganda National Bureau of Standards
  - D. Uganda Revenue Authority
7. Which of the following documents acknowledges receipt of the goods by the shipper
  - A. Bill of lading
  - B. Freight note
  - C. Air way bill
  - D. Bill of exchange
8. When a company is limited by share it means that
  - A. the share sold by the company are limited
  - B. the shareholders liability is limited to the amount of capital contributed to the company
  - C. each shareholder guarantees to pay a fixed sum of money to the company in case of debts
  - D. shareholders can sell their shares to the public to pay the company debts.

9. The difference between a country's total receipts and total payments abroad in one year is known as
- Balance of trade
  - Visible trader
  - Balance of payment
  - Terms of trade
10. Which partner contributes capital, shares profits of the partnership but does not participate in the day to day management of the business?
- minor partner
  - dormant partner
  - quasi partner
  - general partner
11. The place where goods are loaded and off loaded is called the
- way
  - terminal
  - method of propulsion
  - unit of carriage
12. Given;
- Opening stock shs.410,000  
Closing stock shs.230,000  
Sales shs.970,000  
Purchases shs.740,000
- Determine the value of goods available for sale
- shs.1,150,000
  - shs.920,000
  - shs.1,480,000
  - shs.1,380,000
13. Which of the following types of warehouses is owned by private individuals but can be used by anybody to store their goods temporarily?
- pubic ware house
  - private ware house
  - bonded ware house
  - wholesaler warehouse
14. Which medium of advertising is suitable for solar lamps in a rural area?
- magazines
  - internet
  - television
  - radios
15. The value of unsold goods at the end of a trading period is called
- opening stock
  - rate of stock turn
  - average stock
  - closing stock

16. What is the value of current asset to a business which has the following records
- Cash shs.300,000
  - Loan shs.750,000
  - Stock shs.100,400
  - Creditor shs.5,700
  - Debtor shs.2,500
- A. shs.333,600  
B. shs.406,000  
C. shs.402,900  
D. shs.477,900
17. The form of installment selling where the seller owns the property until the final installment is paid is
- A. deferred payment  
B. credit transaction  
C. hire purchase  
D. future deal
18. The generation of gas from animal manure can be classified under
- A. primary production  
B. secondary production  
C. tertiary production  
D. direct production
19. Which of the following is an advantage of a partnership?
- A. unlimited liability  
B. making no losses  
C. quick decision making  
D. pooling resources
20. A business is said to be insolvent when it has
- A. more assets than liabilities  
B. more liabilities than assets  
C. equal amount of assets and liabilities  
D. more fixed assets than current assets

### **SECTION B (Choose any four questions)**

21. (a) State five differences between sole proprietorship and partnership as forms of business units. (10 marks)
- (b) Under what circumstances may a partnership be dissolved? (10 marks)
22. (a) Give eight reasons why the government of Uganda controls the volume of imports. (08 marks)
- (b) Explain any six methods used by the government of Uganda to control its imports (12 marks)
23. (a) Define the term localization of industries (02 marks)
- (b) Explain any five advantages and four disadvantages of localization of industries (18 marks)

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