**GAYAZA HIGH SCHOOL**

**COMMERCE SENIOR FOUR TAKE HOME ASSIGNMENT TERM ONE 2020**

1 a) Using the information given below, prepare an Income statement of Kapere Co-operative Union for the year ended 31st December 2018.

Opening Stock shs 655,000

Closing Stock ,, 444,000

Purchases ,, 770,000

Sales ,, 1,550,000

Commission allowed ,, 112,000

Commission received ,, 324,000

Return inwards ,, 150,000

Returns outwards ,, 170,000

Carriage inwards ,, 113,000

Carriage outwards ,, 115,000

Rent and rates ,, 116,000

Interest allowed ,, 114,00

Interest received ,, 336,000

Rent income ,, 434,000

Wages and Salaries ,, 127,000

Advertising ,, 118,000

Insurance ,, 125,000

Discount allowed ,, 124,000

b) Calculate,

i) Cost of Sales ii) Gross Profit

iii) Net profit iv) Margin

v) Mark-up vi) Rate of Stock turnover.

2.a) From the information given here below, prepare a Balance sheet of Mr Kato- Kimera Enterprises as at 31st Dec 2018.

Furniture shs 1,200,000

Cash in hand 180,000

Drawings 480,000

Bank overdraft 835,000

Machinery 1,333,000

Capital 2,950,000

Debtors 550,000

Motor Vehichles 1,222,000

Loan 2,800,000

Cash in bank 750,000

Buildings 1,450,000

Creditors 785,000

Stock 655,000

Net profit 550,000

b) Calculate;

i) Capital owned iii) Liquid capital

ii) Borrowed capital iv) Working Capital

v) Fixed capital vi) Capital Employed.

C) i) Rate of return on capital Employed ii) Working capital ratio

iii) Liquid capital ratio iv) Acid test ratio.

1. (a) Distinguish between **specialization by profession** and **specialization by**

**process**? (04mks)

b) Jane has specialized in teaching. Explain any **four** advertences and **four** disadvantages of such a form of specialization. (16mks)

4.(a) Define the term **commerce**. (02mks)

b) Give reasons for studying commerce in Uganda. (08mks)

c) Outline the reasons which give rise to commerce. (10mks)

5.(a) State the law of ;

1. **Supply** (02mks)
2. **Demand**  (02mks)

(04mks)

b) Explain the factors which influence less supply of a commodity. (16mks)

6. a) Explain any **five** types of middle men in home trade. (06mks)

b) Under what circumstances may a middleman be eliminated from the chair of distribution. (14mks)

7.(a) Explain the various types of partners. (10mks)

b) Describe the advantages of running a partnership business to other forms of business units. (10mks)

8. (a) Distinguish between;

1. **Co  insurance and re insurance**. (04mks)
2. A**ctuary and Assessor**  (04mks)

b) Explain the factors considered when calculating the amount of premium to be paid by the insured. (12mks)

9.(a) Outline the various forms of sales promotion used in Uganda. (10mks)

b) Explain the advantages and disadvantages of advertising. (10mks)

1. (a) Define;
2. **Assets** (01mk)
3. **Liabilities** (01mk)

b) The following records were extracted from the books of a trader as at 31st December 2015.

Stock on 1st January 2015 shs.11,400,000

Purchases shs.92,000,000

Sales shs.106,940,000

Return outwards shs.3,400,000

Return inwards shs.1,600,000

Overheads shs.13,400,000

Stock (31st December 2015) shs.17,400,000

**Determine;**

1. Cost of sales (04mks)
2. Net sales (03mks)
3. Mark up at cost (04mks)
4. Net profit (03mks)
5. Rate of stock turn (04mks)