

UMMUL QURA HIGH SCHOOL

First Term 2020/2021 Academic Session

Arowona Bus-stop, Akanran Road, Ibadan

Subject: Commerce . Class: SSS3. Duration : 2hrs : 30mins

1. Commercial activities received a great boost in West Africa due to contact with _____.
(a) Asians
(b) Europeans
(c) Americans
(d) Africans
2. The job of the police in keeping law and order in the society is _____.
(a) Commercial services
(b) Indirect services
(c) Direct services
(d) Self-service
3. A business which becomes insolvent may result in _____.
(a) Continuity
(b) Expansion
(c) Liquidation
(d) Re-incorporation
4. Which of the following activities does not belong to extractive occupation?
(a) Quarrying
(b) Carrying
(c) Mining
(d) Agriculture
5. The major division of commerce are _____.
(a) Import, export and warehousing
(b) Import and production
(c) Trade and aids to trade
(d) Commerce, production and services
6. A memorandum of association is a document _____.
(a) defining a company relationship with the public
(b) inviting the public to buy a company share
(c) governing the affairs of the partnership
(d) Regulating a company internal affairs
7. The main purpose of branding is to _____.
(a) increase the quantity of goods demanded
(b) increase the selling price of goods
(c) differentiate a particular goods from other similar goods
(d) enhance the turnover of goods
8. That's facility which is not provided by the port authority is _____.
(a) Berth
(b) Warehouse
(c) Termac
(d) Cranes
9. A cheque could be dishonored as a result of _____.

- (a) Insufficient funds
 - (b) Same amount in word and figures
 - (c) General crossing
 - (d) Regular signature
10. When a company sells share to existing shareholders at preferential rates. This is ____.
- (a) Right issues
 - (b) Bonus issues
 - (c) Private placing
 - (d) Issue by introduction
11. The conversion of raw materials into finished goods is performed by ____.
- (a) Extractive industry
 - (b) Service occupation
 - (c) Commercial occupation
 - (d) Manufacturing industry
- Use the following information to answer questions 12 - 14.
- Adam's opening stock is D5, 000
- He purchased goods worth D30, 000
- His closing stock was D7, 000
- He sold goods worth D55, 000
12. What is the rate of stock turnover?
- (a) 11 times
 - (b) 6 times
 - (c) 4.7 times
 - (d) 4 times
13. What is the cost of goods sold?
- (a) D55, 000
 - (b) D42, 000
 - (c) D32, 000
 - (d) D28, 000
14. What is the average stock?
- (a) D12, 000
 - (b) D42, 000
 - (c) D6, 000
 - (d) D5, 000
15. Which of the following is not a factor of production?
- (a) Capital
 - (b) Exchange
 - (c) Entrepreneur
 - (d) Labour
16. Which of the following is a source of short-term capital?
- (a) Trade credit
 - (b) Share
 - (c) Leasing
 - (d) Debentures
17. The most suitable Channel for the sales of an aircraft is ____.
- (a) Manufacturer - wholesaler - retailer - consumer
 - (b) manufacturer - wholesaler - consumer
 - (c) manufacturer - retailer - consumer
 - (d) manufacturer - consumers
18. The duty payable on goods produced locally is called ____.
- (a) Import duty
 - (b) Exercise duty
 - (c) Export duty
 - (d) Adverlorem
19. An overdraft is granted to holder of ____.
- (a) Loan account
 - (b) Saving account
 - (c) Deposit account
 - (d) Current account
20. The amount capital used in the day to day running of a company is called ____.

- (a) Working capital
 - (b) Capital employed
 - (c) Fixed capital
 - (d) Current capital
21. An example of an invisible items of trade is ____.
- (a) Oil
 - (b) Shipping
 - (c) Machinery
 - (d) Textiles
22. In hire purchase agreement, the buyer is the ____.
- (a) Agent
 - (b) Hirer
 - (c) Lessee
 - (d) Lessor
23. Which of the following terms is not used in price quotation for goods?
- (a) E &
 - (b) O.E C.I.A
 - (c) EX WOKS
 - (d) F.A.S
24. Mr Ojo paid Noak the sum of #3,000 for a piece of land without signing a deed of sale the elements of contract which is lacking in the transaction is ____.
- (a) Valuable consideration
 - (b) Formality
 - (c) Offer and acceptance
 - (d) Capacity
25. Which of the following documents is used in home trade only?
- (a) Bill of lading
 - (b) Airway bill
 - (c) Certificate of origin
 - (d) proforma invoice
26. The Central Bank carries out its monetary policy through ____.
- (a) discounting bills
 - (b) credit selling
 - (c) replacement of wormout notes
 - (d) bank rate
27. The expert responsible for the calculations of probability of risk in insurance is called ____.
- (a) An actuary
 - (b) An underwriter
 - (c) A broker
 - (d) A solicitor
28. Which of the following is a disadvantage of rail transport?
- (a) it carries bulky goods only
 - (b) the cost of carriage is high
 - (c) it is not flexible
 - (d) it travels on schedule
29. The advertising medium that makes only audio impressive is ____.
- (a) Cinema
 - (b) Radio
 - (c) Television
 - (d) Hoarding
30. Organization licensed and authorized to deliver fast mail and parcel are engaged in ____.
- (a) Courier services
 - (b) Career services
 - (c) transport services
 - (d) Post free services
31. A deduction made by a whole saler from the Catalogue price is ____.
- (a) Cash discount
 - (b) Deferred payment
 - (c) Trade discount
 - (d) Quantity discount

32. A machine supplied by the post office to organization to import stamps on the letters is ____.
- (a) Vending machine
 - (b) Shredding machine
 - (c) Automated teller machine
 - (d) Franklin machine
33. An agreement between two parties which can be enforced ____.
- (a) A warranty
 - (b) An offer
 - (c) Consideration
 - (d) Contract
34. An examples of a computer output device is ____.
- (a) Key board
 - (b) mouse
 - (c) monitor
 - (d) scanner
35. Ocean liners are vessel that ____.
- (a) sail at schedule time on fixed routes
 - (b) sailing to any place where is cargo
 - (c) carry only cargo
 - (d) carry only liquid
36. The process of placing the right people in the right position in an organization is ____.
- (a) Planning
 - (b) Motivating
 - (c) Staffing
 - (d) Directing
37. The factor of production that is fixed in supply is referred to as ____.
- (a) Labour
 - (b) Land
 - (c) Wages
 - (d) Rent
38. The right of an unpaid seller does not includes ____.
- (a) declaring the buyer bankrupt
 - (b) retaining the possession of the goods
 - (c) stopping the goods while in transit
 - (d) reselling the goods
39. The coming together of people who engaged in trade and industry in a particular area is ____.
- (a) An employer association
 - (b) A trade union
 - (c) A chamber of commerce
 - (d) An integration
40. The term which enjoys the buyer to examine goods thoroughly before making a purchase is ____.
- (a) Uberimae fider
 - (b) Careat venditor
 - (c) Consumer protection
 - (d) career emptor
41. Which of the following is not a tool for sales promotion?
- (a) Publicity
 - (b) Exhibition
 - (c) Free sample
 - (d) Competition
42. The organization of local and international trade fairs is the responsibility of ____.
- (a) Trade association
 - (b) Labour union
 - (c) Chamber of commerce
 - (d) Customs and exercise authority
43. Under the principle of subrogation, the insurer has the right to ____.

- (a) abrogate the contract
 - (b) re-insured the property
 - (c) take over the legal right of the insured
 - (d) take over all the liabilities of the insured
44. The law that protects a musician work from privacy is ____.
- (a) Usury law
 - (b) Copy right
 - (c) Trade mark
 - (d) Hire purchase
45. Which of the following countries is a member of the lake Chad basin commission?
- (a) Gambia
 - (b) Cameroon
 - (c) Ghana
 - (d) Guinea
46. Which of the following is a type of marine insurance?
- (a) Endowment
 - (b) Hull
 - (c) Accident
 - (d) Fidelity
47. A cheque dated 5\8\20 but presented for payment on 2\8\20 was dishonored because it was a ____.
- (a) Certified cheque
 - (b) Marked cheque
 - (c) Stale cheque
 - (d) Post dated cheque
48. Which of the following organization arms primarily at protecting the consumer?
- (a) Standard organisation of Nigeria
 - (b) Chamber of commerce
 - (c) manufacturers association of Nigeria
 - (d) State security
49. Which of the following business relies on government subvention for it's operation?
- (a) Public corporation
 - (b) Public limited company
 - (c) Cooperative society
 - (d) Private limited company
50. Balance of payment deficits may be caused by ____.
- (a) revaluation of currency
 - (b) sales of foreign reserves
 - (c) unrestricted export
 - (d) unrestricted import

SECTION B: Answer any four (4) questions.

1a. Define Capital.

b. The following are the trading activities of Zainab trading Ltd. for the year ended 31st December, 2010.

Creditors.	20,000
Premises.	20,000
Machinery.	20,000
Cash.	20,000
Debtors.	30,000
Stock.	50,000
Cost of goods sold.	100,000
Sales.	200,000
Plant.	30,000
Rent.	10,000

From the above details, calculate the

- i. Fixed assets.
- ii. Working capital .
- iii. Gross profit .
- iv. Net profit .

2a. Explain four (4) ways by which the Central Bank regulates the activities of commercial banks.

b. Explain three (3) functions of Commercial Bank.

c. Explain four (4) functions of Central Bank.

3a. Differentiate between Hire purchase and Refereed Payment.

b. Show with the aid of diagram, the classification of occupation and give one example of each classification.

c. State and explain three (3) factors affecting employment.

4a. Define Public Corporation.

b. State and explain four (4) reasons for government participation in business enterprises.

c. State and explain three (3) demerits of government participation in business enterprises.

5a. State and explain four (4) essential characteristics of a valid contract.

b. The following information was taking from the balance sheet of XYZ Ltd.

Opening stock	1,000
Purchases.	10,000
Sales.	15,000
Wages.	1,000
Closing stock.	5,000

You are required to calculate :

i. The cost of goods sold.

ii. The rate of turnover

iii. The net profit.