

UMMUL-QURA HIGH SCHOOL
AROWONA BUS-STOP, AKANRAN ROAD, IBADAN

2020/2021 THIRD TERM EXAMINATION

CLASS: SSS1

SUBJECT: COMMERCE

TIME: 2hour : 30 mins

Section A: Objective

1. A dormant partners is one who
 - (A) does not work hard
 - (B) lent his name to the business
 - (C) has limited liability
 - (D) does not partake in running of the business
2. A partner with an unlimited liability is known as
 - (A) Dormant partner
 - (B) Nominal partner
 - (C) General partner
 - (D) Active partner
3. Which of the following describes the reasons for the international trade?
 - (A) Balance of payment
 - (B) Comparative cost advantages
 - (C) Absolute cost advantages
 - (D) Balance of trade
4. Which of the following is act contained in a deed of partnership?
 - (A) Names addresses of the partners
 - (B) Ratio for sharing profit and losses
 - (C) Investment of each partners
 - (D) Rate of taxation
5. Which of the following retail outlets is described as selling without shop
 - (A) multiple stores
 - (B) supermarket
 - (C) mail order business
 - (D) departmental store
6. The relationship between partners are stipulated in the
 - (A) Memorandum of association
 - (B) Articles of association
 - (C) Partnership deed
 - (D) Certificate of incorporation
7. Which of the following is not a features of a sole trader?
 - (A) quick decision making
 - (B) guarantee profit
 - (C) unlimited liability
 - (D) bearing losses alone
8. Legal tender consists of
 - (A) cheques and coins
 - (B) bank overdraft and cheques
 - (C) currency note and coins
 - (D) money order and currency notes
9. The import of foreign produced goods to be re-export is known as
 - (A) domestic trade
 - (B) wholesale trade
 - (C) entreport trade
 - (D) counter trade
10. The process of putting goods in attractive packets to arouse the interest of customers is
 - (A) collation
 - (B) wrapping
 - (C) branding
 - (D) packaging
11. Which of the following factors is not to be considered in starting a retail trade?
 - (A) size of the business
 - (B) nature of business
 - (C) amount of capital required
 - (D) level of tax payable

12. Small scale retailers continue to survive inspite of serious competition from large scale retail trade because they
 - (A) buy from many manufacturers
 - (B) maintain personal relationship with customers
 - (C) stock only one line of goods in their stalls
 - (D) do not separate business money from personal money
13. The greatest risk in a business venture is borne by the
 - (A) trade creditors
 - (B) employees
 - (C) trader debtors
 - (D) entrepreneurs
14. The auxiliary to trade which ensures that people gain access to facts pertaining to goods is
 - (A) Insurance
 - (B) Advertising
 - (C) Warehouse
 - (D) Banking
15. Which of the following is not an advantage of partnership?
 - (A) Diversified managerial talents
 - (B) Greater financial resources
 - (C) Freedom to terminate business
 - (D) Account is not made
16. Catalogues are used by
 - (A) Chain Store
 - (B) Departmental store
 - (C) Mail order firm
 - (D) Supermarket
17. Who Among the following is a middlemen?
 - (A) Manufacturer
 - (B) Agent
 - (C) Insurer
 - (D) Consumer
18. Which of the following groups of activities are commercial services?
 - (A) Manufacturing, wearing and storing
 - (B) vending, purchasing and banking
 - (C) advertising, farming and harvesting
 - (D) fishing construction and transporting
19. A retail outlet is described as a multiple shops when it
 - (A) has many shops under the roof
 - (B) sell goods which are not standardized
 - (C) sell through catalogue
 - (D) deal with one line of goods
20. Which of the following coordinates other factors of production to achieve set objectives?
 - (A) Land
 - (B) Labour
 - (C) Entrepreneur
 - (D) Capital
21. Which of the following distinguished supermarket from other retail outlet?
 - (A) use of self-service
 - (B) standard shop front
 - (C) sales of goods items and household goods
 - (D) provision of parking space and delivery services
22. Which of the following makes sales possible without a sales attendance ?
 - (A) Telex machine
 - (B) Fax machine
 - (C) Vending machine
 - (D) Franking machine
23. Division of labour often results in
 - (A) a decrease in production
 - (B) an increase in production
 - (C) waste of time
 - (D) un-economic use of tools
24. Who among the following comes first in the channel of distribution?
 - (A) Consumer
 - (B) Retailer

- (C) Consignor
(D) Manufacturer
25. Which of the following functions of the wholesaler help to stabilize prices?
(A) financing
(B) advice to retailers
(C) provisions of credit
(D) warehousing
26. Which of the following is not a source of capital to a partnership business?
(A) buying on credit
(B) borrowing
(C) shares
(D) contribution
27. Which of the following mostly serves as a useful promotional devices for consumer goods?
(A) Trade mark
(B) Labelling
(C) Grading
(D) Packing
28. Which of the following is a function of advertising?
(A) stimulation of demands
(B) leads to market segmentation
(C) determining selling price
(D) provisions of market information
29. Who among the following has no right of ownership to a business organization?
(A) shareholders
(B) entrepreneurs
(C) partners
(D) debentures holders
30. A business unit whose membership range from two to twenty is a
(A) cooperative society
(B) partnership
(C) private limited company
(D) public limited company
31. Which of the following is a legal tender?
(A) Central Bank cheque
(B) Bank note
(C) Bank draft
(D) Travellers cheque
32. Which of the following is used only in international trade?
(A) letter of enquiry
(B) certificate of origin
(C) pro-forma invoice
(D) consignment note
33. House builders belong to
(A) manufacturing industry
(B) constructive industry
(C) commercial occupation
(D) tertiary occupation
34. Labour and entrepreneur are the examples of
(A) factors of production
(B) division of labour
(C) direct services
(D) primary production
35. A distinctive features of personal selling is the
(A) Face-to-face meeting of sellers and buyers
(B) Selling of cheap items only
(C) Sales of industrial goods only
(D) Hawking of goods
36. Terms of trade is
(A) rate at which the Central Bank discount First Class bills
(B) rate at which a country 's export exchange for it's imports
(C) expected rate of returns on investment
(D) rate of payment for goods and services purchases
37. Which of the following is not part of the facilities provided by the Nigeria Port Authority?
(A) Dredging
(B) Warehousing
(C) Collection of custom duties
(D) Loading or Off-loading of cargoes

38. A trade document signed by a representative of the country to which goods are being sent is called
 (A) consumer invoice
 (B) export invoice
 (C) consignment note
 (D) certificate of origin
39. A trader who wants to buy goods from another country sends
 (A) an advice note
 (B) an invoice
 (C) a bill of exchange
 (D) an indent
40. Foreign trade is also known as
 (A) domestic trade
 (B) international trade
 (C) counter trade
 (D) entreport trade
41. An individual who makes the final use of goods and services provided by a firm is
 (A) manufacturer
 (B) wholesaler
 (C) consumer
 (D) retailer
42. One of the features of a supermarket is
 (A) having similar shops under one roof
 (B) selling common household goods
 (C) having central control from head quarter
 (D) having many sales attendants in a shop
43. Which of the following is not a function of the port authority?
 (A) providing facilities for loading and off-loading vessels
 (B) provide entrepreneurship for the country
 (C) dredging of harbours
 (D) provisions of warehousing facilities
44. Which of the following auxiliary services make it possible for goods to be available where they are required?
 (A) communication
 (B) banking
 (C) transportation
 (D) insurance
45. Which of the following describes the reasons for international trade?
 (A) balance of payment
 (B) comparative cost advantages
 (C) absolute cost advantages
 (D) balance of trade
46. Which of the following shows the quality of money?
 (A) ability to represent both small and large value
 (B) used for deferred payment
 (C) used as a unit of account
 (D) serving as a store of wealth
47. When a total country's visible and invisible exports are more than its visible and invisible imports, it has
 (A) favourable balance of payment
 (B) favourable balance of trade
 (C) unfavourable balance of payment
 (D) unfavourable balance of trade
48. The exchange of goods for goods in foreign trade is known as
 (A) visible trade
 (B) smuggling
 (C) counter trade
 (D) entreport trade
49. The aid to trade responsible for the preservation of perishable items is
 (A) warehousing
 (B) insurance
 (C) transportation
 (D) advertising
50. Which of the following is not a function of port authority?
 (A) ensuring safe movement of ships

(B) collecting import and export duties
(C) providing warehouse services

(D) ensuring law and order in the
harbours

Section B : Theory

Instruction : Answer any five (5) questions in this section.

1a. Define commodity exchange.

b. State three (3) differences and three (3) similarities between commodity and stock.

2a. State and explain four (4) qualities of money.

b. State and explain three (3) functions of money.

3a. State five (5) contents of a deed of partnership.

b. Adam and Awa have teamed up to form a partnership business. Explain four (4) benefits they are likely to derived.

4a. What four (4) benefits does Nigeria derived from engaging in foreign trade?

b. State and explain four (4) problems likely to be faced by a businessman who wants to sell his goods overseas.

5a. Explain five (5) characteristics of sole proprietorship.

b. State four (4) sources of capital to a sole proprietorship.

6. Explain the following types of money.

- i. Token money
- ii. Commodity money
- iii. Fiduciary money
- iv. Partial money
- v. Deposit money
- vi. Legal tender