

COMMERCE

1. Commerce is defined as
 - A. buying and selling of goods and services only.
 - B. all activities in the distribution and exchange of goods and services.
 - C. all activities involved in the production of goods and services.
 - D. transporting and warehousing of goods only.
2. The types of occupation that a broker belongs to is
 - A. commercial.
 - B. construction.
 - C. extraction.
 - D. manufacturing.
3. A form of money which was not used in the early days to trade is
 - A. tobacco.
 - B. metal bars.
 - C. cowries.
 - D. coins.
4. Which of the following activities is not an example of the extractive industry?
 - A. Weaving.
 - B. Quarrying.
 - C. Hunting.
 - D. Fishing.
5. The factor of production which bear all the risk of the business is
 - A. capital.
 - B. entrepreneurship.
 - C. labour.
 - D. land.
6. Production is completed when product reach the
 - A. warehouses.
 - B. users.
 - C. retailers.
 - D. shops.
7. A partner whose name is used to boost the image of the business and does not contribute capital is a
 - A. dormant partner.
 - B. general partner.
 - C. limited partner.
 - D. nominal partner.
8. One advantage of sole proprietorship is that
 - A. access to large capital is easy.
 - B. decisions are made promptly.
 - C. business risks are spread.
 - D. continuity of business is assured.
9. A business unit in which savings of members are lent to others is a
 - A. consumer cooperative society.

- B. producer cooperative society.
- C. credit and thrift society.
- D. wholesale cooperative society.

10. The document issued to a public company allowing it to commence business is the

- A. Article of Association.
- B. Certificate of Incorporation.
- C. Memorandum of Association.
- D. Certificate of Trading.

11. Which of the following is not a function of a consumer association?

- A. Ensuring that consumers buy quality goods
- B. Educating consumers on their rights
- C. Penalizing importers of fake goods
- D. Ensuring that fair prices are charged

12. An association formed by computer distributors to safeguard and promote their interest is a

- A. chamber of commerce.
- B. cooperative society.
- C. trade association.
- D. trade union.

13. The issue of prospectus by a company is an invitation to members of the public to

- A. subscribe to the company's shares.
- B. attend the company's Annual General Meeting.
- C. buy the company's product.
- D. attend the company's boards meeting.

14. Examples of current assets are

- A. cash and trade debtors.
- B. cash and trade creditors.
- C. trade debtors, trade creditors and cash.
- D. trade creditors and trade debtors.

15. When the cost of sales is divided by the average stock, the result is

- A. gross profit.
- B. net profit.
- C. rate of turnover.
- D. working capital.

16. The part of issued share capital that the company has asked the subscribers to pay for is

- A. authorized capital.
- B. called-up capital.
- C. nominal capital.
- D. paid-up capital.

17. The last link in a channel of distribution is the

- A. wholesaler.
- B. retailer.
- C. consumer.
- D. agent.

18. The difference between a country's imports and exports of goods in a particular year is

- A. terms of trade.
- B. terms of payment.
- C. balance of payment.
- D. balance of trade.

19. Goods brought into the country for sale are the country's

- A. invisible imports.
- B. invisible exports.
- C. visible imports.
- D. visible exports.

20. A feature of supermarkets which distinguishes it from other large scale retail outlets is that items sold are

- A. mainly household goods.
- B. mainly industrial goods.
- C. delivered by post.
- D. one line of products.

21. One advantage of small scale retail outlet is

- A. availability of self service facilities.
- B. ability to buy in bulk.
- C. easy access to large amount of capital.
- D. personal attention to customers.

22. A discount deducted from the invoice price of goods to enable the retailer to make profit is

- A. cash discount.
- B. functional discount.
- C. trade discount.
- D. seasonal discount.

23. A document issued by the seller's own courier and signed by the customer to acknowledge receipt of the goods is

- A. advice note.
- B. consignment note.
- C. delivery note.
- D. freight note.

24. A request for goods from another country by an importer would be made using

- A. an invoice.
- B. an indent.
- C. an order.
- D. a quotation.

25. The right to buy or sell stock in the stock exchange within a stipulated period is

- A. option.
- B. contango.
- C. backwardation.
- D. brokerage.

26. The share value stated on a share certificate is

- A. above par value.
- B. below par value.
- C. market value.

D. nominal value.

27. The bank which acts as the lender of last resort is the

- A. Central bank.
- B. Commercial bank.
- C. Merchant bank.
- D. Mortgage bank.

28. The issue of shares which allows existing shareholder's to buy shares at a preferential price is

- A. bonus issue.
- B. offer for sale.
- C. public offer.
- D. rights issue.

29. The financial market where existing shares and bonds are bought and sold is the

- A. forex market.
- B. stock market.
- C. money market.
- D. commodity market.

30. An insurance policy which is not a contract of indemnity is

- A. burglary insurance.
- B. fire insurance.
- C. life insurance.
- D. motor insurance.

31. When a company insures the lives of all its employees collectively, the policy is

- A. accident insurance.
- B. fleet insurance.
- C. fidelity guarantee insurance.
- D. group insurance.

32. A cheque that could be cashed over the counter by the payee is

- A. certified cheque.
- B. crossed cheque.
- C. open cheque.
- D. bank draft.

33. A specially-designed mode of transport for conveying liquid and gas is a

- A. coaster.
- B. tanker.
- C. liner.
- D. ferry.

34. The safe keeping of goods produced until they are needed is

- A. hoarding.
- B. marking.
- C. packaging.
- D. warehousing.

35. One of the objectives of the Niger Basin Commission is to

- A. regulate the movement of citizens across the borders.
- B. impose tariff and quota on non-members.

- C. regulate the movement of cargo along the river.
- D. streamline the construction of dams on the river.

36. A paid presentation about a product with a view to encouraging purchases by an identifiable sponsor is

- A. publicity.
- B. personal selling.
- C. sales promotion.
- D. advertisement.

37. The face-to-face meeting of the seller with the buyer for the purpose of making sales is

- A. mass selling.
- B. impulse buying.
- C. personal selling.
- D. sales promotion.

38. The activity which improves the appearance of a product and also aimed at protecting it is

- A. advertising.
- B. grading.
- C. labelling.
- D. packaging.

39. Which of the following is not a component of the marketing mix?

- A. Product.
- B. Production.
- C. Promotion.
- D. Place.

40. The marketing term which regards the consumer as king that must be satisfied is

- A. market segmentation.
- B. market research.
- C. marketing concept.
- D. marketing mix.

41. An agreement that is enforceable in law is

- A. an offer.
- B. a consideration.
- C. a contract.
- D. an acceptance.

42. A contract will not be discharged through

- A. acceptance.
- B. agreement.
- C. breach.
- D. performance.

43. A person engaged for the purpose of bringing his principal and a third party into a contractual relation is

- A. an arbiter.
- B. an auctioneer.
- C. an agent.
- D. middlemen.

44. The additional commission paid to agents for guaranteeing payment is
- A. brokerage.
 - B. del credere.
 - C. drawback.
 - D. demurrage.
45. The transfer of ownership of a business from government to the public is
- A. commercialization.
 - B. deregulation.
 - C. privatization.
 - D. merger.
46. One of the disadvantages of privatization is that it
- A. promotes inefficiency of staff.
 - B. brings about economic decline.
 - C. reduces government revenue.
 - D. causes increase in the prices of products.
47. The management function which involves measuring outcomes and taking corrective action to reduce error is
- A. staffing.
 - B. organizing.
 - C. directing.
 - D. controlling.
48. In delegation of authority, the subordinate officer is
- A. accountable to his immediate superior.
 - B. responsible for his superiors actions.
 - C. only answerable to top management.
 - D. expected to replace his superior.
49. A medium of inter-departmental communication is
- A. intercom.
 - B. notice board.
 - C. radiophone.
 - D. circular.
50. Which of the following is not an objective of ECOWAS?
- A. Promotion of a common language
 - B. Improvement of infrastructural facilities
 - C. Encouragement of free movement of people
 - D. Encouragement of trade among member counties

Here are the correct answers for the Commerce objective questions in alphabet form:

- 1. B
- 2. A
- 3. D
- 4. A
- 5. B
- 6. B
- 7. D
- 8. B

9. C
10. D
11. C
12. C
13. A
14. A
15. C
16. B
17. C
18. D
19. C
20. A
21. D
22. C
23. C
24. B
25. A
26. D
27. A
28. D
29. B
30. C
31. D
32. C
33. B
34. D
35. D
36. D
37. C
38. D
39. B
40. C
41. C
42. A
43. C
44. B
45. C
46. D
47. D
48. A
49. D
50. A