PRESIDENT'S OFFICE
REGIONAL ADMINSTRATIVE AND LOCAL GOVERNMENMT
KIBAHA DISTRICT COUNCIL
FORM TWO MOCK EXAMINATION
SUBJECT: COMMERCE

CODE: 061

TIME: 2:30 HOURS   **MONDAY, 05ᵗʰ OCTOBER 2020**

Instructions

1. This paper consists of section A B and C with a total of seven questions
2. Answer all questions
3. All answers must be written in space provided
4. Write your examination number on each page

FOR EXAMINER'S USE ONLY		
QUESTION NUMBER	**SCORE**	**EXAMINER'S INITIALS**
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
TOTAL		

SECTION A (30 marks)

1. For each of the following Items i-x choose the correct answer and write its letter in the box provided
    I.   Commerce is mainly dealing with……..
        A. Distribution of goods and services
        B. Production and consumption of goods and service   (   )
        C. Buying and selling of goods and services
        D. Exchange and distribution of goods and services
    II. Which of the following functions is not done by the wholesaler?
        A. Breaking the bulk
        B. Selling goods to consumer   (   )
        C. Marketing research
        D. Buying goods from producers
    III. The art of transmitting information and ideas by word of mouth, writing or by other means is
        A. Advertising
        B. Telephone
        C. Tigo, Airtel and Vodacom   (   )
        D. Communication
    IV. Which of the following statement represent the correct arrangement of the basic factors of production
        A. Land, Labour, Capital and Entrepreneurship
        B. Land, Capital, Entrepreneurship and Labour
        C. Labour, Land, capital and entrepreneurship
        D. Labour, Capital, Land and Entrepreneurship   (   )
    V.   The main elements of commerce comprises of
        A. Home trade and foreign trade
        B. Wholesale and retail trade   (   )
        C. Trade and aids to trade
        D. Import trade and export trade

    VI. Management of stock in a warehouse is known as
        A. Stock valuation   (   )
        B. Stock control
        C. Stock taking
        D. Stock administration

    VII. Blueband and Tanbond illustrate the type of interrelated demand known as
        A. Composite demand
        B. Competitive demand   (   )
        C. Joint demand
        D. Consumer demand

VIII. Why is it necessary to use demand schedule in drawing a demand curve?
- A. It shows the quantity demanded
- B. It shows the price of quantity demanded ( )
- C. It shows the price and quantity demanded
- D. It shows the price changes for a commodity

IX. Departmental store refers to
- A. A number of shops in one roof
- B. A number of similar shops scattered at different areas ( )
- C. A store that sells different types of goods
- D. A store that sells one variety of goods only

X. Industries which assemble already manufactured goods are known as
- A. Producing industries
- B. Constructive industries ( )
- C. Extractive industries
- D. Manufacturing industries

2. Chooses the correct term from **LIST B** which matches with explanation in **LIST A** then write the letter
   in the space provided

LIST A	LIST B
i. The price of loading and offloading in the transportation process	A. Transportation
ii. The system of transporting goods in standard metal or wooden boxes called containers.	B. Bill of landing C. Port
iii. An agreement between a person owning a ship and a person hiring an entire ship or number of voyages	D. Air transport E. Unit of carriage
iv. The physical movement of goods, services and people from one place to another	F. Road transport G. Charter party
v. Involve the physical movement of goods and passenger by vehicles on land (road) from one place to another	H. Terminal I. Containerization

Answers

LIST A	i	ii	iii	iv	v
LIST B					

3. (a) For each of the following statements (i)- (x), Write **True** if the statement is correct
   Or **False** if the statement is not correct in the space provided

   i. A document which contains a list of goods offered for sale by traders is called a catalogue…………………………….

   ii. An aid to trade whose major aim is to compensate the insured who suffered loses out of the stated risk is called insurance………………………….

   iii. The presentation of quantity supplied in relation to price in graph present supply schedule…………………………

   iv. Warehousing is the building used to store goods until they are needed for consumption…………………………………

   v. Trade which involves exchange of goods by goods is called barter trade…………………..

   vi. Creation of goods and services to satisfy human needs is called utility………………………

   vii. The table which shows the quantity of goods supplied against their price is called demand curve…………………………..

   viii. Home trade is divided into retail trade and whole sale trade…………………………..

   ix. Marginal cost is a change of fixed cost per unit output………………………….

   x. A bonded warehouse is used to store imported goods till duty is paid on them………………………….

   (b) Complete the following sentences by filling the blanks with the correct word(s)

   i. Large self-service shop located away from the town Centre selling a great variety of goods is called……………………………….

   ii. ……………………………………………… occurs when demand and supply curve intersects

   iii. The cost of producing one more unit of output is known as……………………………………………………………………

   iv. The labour that comes as a result of education and training is called…………………………………..

   v. The process of finding the value of stock held is…………………………

Section B (30 Marks)
Answer All Questions in this section

4. Write short notes on the following terms with examples
   i. Perishable goods

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………..

   ii. Specialization

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………..

   iii. Demand

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………

   iv. Warehouse

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………

   v. Tied shop

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………

5. (a) What is equilibrium point

   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………………
   …………………………………………………………………………………………
   ………………………………

   (b) Given the following information

Quantity demanded (kg)	600	500	400	300	200
Quantity supplied (kg)	200	300	400	500	600
Price (TSHS)	100	150	200	250	300

   i. Draw demand and supply curve on the same pair of axis
   ii. Indicate equilibrium price and quantity
   iii. Indicate equilibrium point

Section C (40 Marks)

Answer All Questions in this section

6. (a) define the term entrepreneurship

……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………

(b) Successful entrepreneurs are always confident and optimistic. Describe five characteristic of successful of entrepreneurs in Tanzania

   i. …………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………

   ii. …………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………

   iii. …………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………

   iv. …………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………

   v. …………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………

7. Mwanaidi trade company had the following balances as at 31st December 2016

                                                THS

Opening stock ....70, 000/=

Sales ....95,000/=

Gross profit ....10, 000/=

Purchases ....20, 000/=

Closing stock ....5, 000/=

Expenses ....5, 00/=

 Calculate the following
   a. Average stock
   b. Sale at cost (cost sales)
   c. Rate of stock turn
   d. Margin
   e. Mark up

....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....

....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....
....

....

....

....

....

....