

GODMARK HIGH SCHOOL
BEGINNING OF TERM ONE EXAMINATIONS 2016 S.4
COMMERCE

TIME : 1:30MINUTES

INSTRUCTIONS SECTION IS COMPULSORY

ATTEMPT FOUR QUESTIONS FROM SECTION B

1. The two stages in production of goods are
 - A. Manufacturing and exchange
 - B. Extraction and manufacturing
 - C. Manufacturing and retailing
 - D. Industry and commerce
2. A type of marketing board established through the act of parliament is
 - A. Statuary market board
 - B. Advisory marketing board
 - C. Export marketing board
 - D. Producer marketing board
3. A trader who worries about a risk of fire damaging his property will seek the service of
 - A. Fire brigade
 - B. National water
 - C. Insurance company
 - D. Police
4. Given that profit margin of Kawumpuli and son enterprises is 20%, what is the mark up of the business
 - A. 33.33%
 - B. 40%
 - C. 25%
 - D. 20%
5. Who of the following provides a direct service?
 - A. Doctor
 - B. Builder
 - C. Shop keeper
 - D. Miner
6. Which of the following is not an advantage of locations of industries
 - A. Encouraging export promotion industries
 - B. Boosting import substitution industries
 - C. Increasing social costs
 - D. Acceleration urbanization
7. A cheque where no payee is named is called
 - A. Open cheque
 - B. Bearer cheque
 - C. Blank cheque
 - D. Order cheque
8. The following are non tariff barriers Except
 - A. Total ban
 - B. Trade embargo
 - C. Quotas
 - D. Customs duty

9. What financial institutions facilitates the negotiation of bills of exchange?
A. Market clearing house B. Forex bureau C. Investment house D. Discount house.
10. The major difference between a trade fair and a trade exhibition is
A. In a trade fair usually goods are not where as in a trade exhibition they are sold
B. In trade fair goods are usually sold where as in a trade exhibition they are not usually sold
C. Trade fairs cover some few goods where as exhibitions cover a wider variety of goods
D. A trade fair is held at UMA Lugogo where as trade exhibition is held at Muteesa II Momorial stadium Wankuluku
11. Registered capital is
A. The maximum amount of capital a company can raise by selling shares
B. The total amount shareholders have been asked to pay
C. The amount of capital that has actually been received from share holders
D. The total face value of shares that have been issued
12. Golola has issued one cheque and instructed DFCU Bank to clear all his promoters through
A. Western Union B. Standing order C. Bank draft D. Credit transfer
13. Which one of the following is drawn by a debtor?
A. Debit note B. Credit note C. Promissory note D. Bill of exchange
14. If a trader is given a trade discount of 20% and a 50% cash discount for goods purchased at shs. 100,000, how much will he pay?
A. 75,000/= B. 80,000/= C. 76,000/= D. 660,000/=
15. The practice where valuable goods are insured by more than one insurance company is called
A. Re- insurance B. Co- insurance C. Double insurance D. Multi- insurance
16.reveals the gross profit of a trader
A. Balance sheet B. Trading account C. Profit and loss account D. Trial balance

17. The relationship between country's export prices and import prices is referred to as A. Balance of trade B. Terms of trade C. Balance of payment D. Terms of payment
18. Which of the following can be used to establish the net capital employed of the business?
A. Total assets minus current liabilities B. Current assets minus current liabilities
C. Fixed assets plus current assets D. None
19. Which of the following organizations is responsible for consumer protection
A. Uganda wild life authority B. Uganda revenue authority
B. Uganda national financial transaction D. Uganda bureau of statistics
20. E.F.T. as used in banking stands for
A. Electronic funds transfer B. Express funds transfer
C. Economic financial transaction D. Easy transfer Folio

SECTION B

21. a) Explain the elements of transport (08marks)
b) Describe factors that influence choice of a transport mode (12marks)
22. a) Define the following terms as used in insurance
(i) Re- insurance (02marks)
(ii) Surrender value (02marks)
(iii) Pooling of risks (02marks)
(iv) Annuity (02marks)
b) Explain any four basic principles of insurance (08marks)
c) Outline four factors that may make it necessary for an insurance company to re- insure (04marks)
23. a) Distinguish between sales promotion and market research (04marks)
b) Give 6 reasons why manufacturers carry out Market research (12marks)
c) Outline four factors that may limit manufacturers from carrying out Market research (04marks)

24. a) Differentiate between a saving and credit cooperative society **(SACCO)** and a consumer cooperative society (04marks)
b) Give and explain 5 rules that streamline the operation of savings and credit cooperative society (10marks)
C) Under what circumstances may a cooperative society be dissolved? (04marks\)
25. a) Define the term distribution (02marks)
b) Define any four factors that influence the distribution of goods and services (08marks)
c) Explain 5 differences between a super market and departmental stores (10marks) 26.
- a) Distinguish between Money order and Telegraphic money transfer (04marks)
b) Explain four factors that influence a choice of a medium of communication (08marks)
c) State four barriers of effective communication (04marks)
27. a) Distinguish between Branding and Packaging (04marks)
b) Give four
(i) Advantages of branding (08marks)
(ii) Disadvantages of packaging (08marks)
28. a) Write brief notes on the following
(i) Goods available for sale (02marks)
(ii) Receipt book (02marks)
(iii) Payment voucher (02marks)
- b) Brazaliriki Traders Limited a flourishing business with capacity to replace its stock five times a year had the following information as at 31st Dec 2014

Particulars	Shillings
Capital	9,000,000
Premises	5,000,000
Equipment	2,000,000
Credit	400,000

Stock at 31 st Dec 2014	1, 200,000
Stock at 1 st Jan 2014	1,800,000
Accrued rent	150,000
Cash at Bank	1,800,000
Debtors	600,000
Debentures	3,500,000

Calculate ;

- i. Liquid capital (03marks)
- ii. Circulating capital (03marks)
- iii. Capital employed (04marks)
- iv. Cost of sales (04marks)

END

DEDICATED TO EXCELLENCE