

**PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT
GAIRO DISTRICT COUNCIL
INTERSCHOOL FORM TWO ASSESSMENT
COMMERCE**

061

22ND MAY 2023 (Morning)

Time 02:30 Hrs

INSTRUCTIONS

- This consist of section A, B and C with ten questions
- Answer all questions in all sections A, B and C.
- All writing should be in blue or black ink except for drawing be in pencil

SECTION A (15 marks)

1. For each of the following questions write the letter of the correct answer.

i. Which of the following is not an aspect of commerce?

- A. Provision of information about goods and services
- B. Keeping hens lay eggs for family consumption
- C. Distribution of goods
- D. Insurance

ii. The qualities of a good retailer are.

- A. Not pleasant in his dealing
- B. Not a good administrator
- C. No delay but makes prompt payment
- D. No stealing from his account

iii. Which of the following is an example of primary production?

- A. Agriculture
- B. Textile manufacture
- C. Road construction
- D. Space exploration

iv. A service that takes cares of risks involved in trade is.

- A. Insurance
- B. Banking
- C. A police station
- D. Ware housing

v. Which of the following is not a function of stock administration?

- A. Issue of stock
- B. Care of stock
- C. Profit making
- D. Receiving goods

vi. Production ends when.

- A. Manufacturing process ends
- B. Goods are stored in bounded houses
- C. Goods finally reach retailers
- D. Goods reach final consumer

vii. Which of the following statement is true?

- A. Economic is part of commerce
- B. Commerce part of economics
- C. Commerce is the universal set of economics
- D. Economic is the sub set of commerce

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- viii. Which of the following function is not normally done y wholesaler to retailer?
- A. Breaking the bulk
 - B. Storage
 - C. Market research
 - D. Transportation
- 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 assembles already manufactured goods are known as:
- A. Producing industries
 - B. Constructive industries
 - C. Extractive industries
 - D. Manufacturing industries

2. Match the items in list A with the correct responses in list B by writing the letter of correct response below the number of the corresponding table provided

LIST A	LIST B
i. Movement of goods and services from one place to another whether inside or outside the country	A. Communication
ii. Buying of goods and services from outside the country	B. Production
iii. Selling of goods and services to other country	C. Export trade
iv. Buying and selling of goods and services inside or outside the country	D. Import trade
v. Buying and selling of goods whereby exchange involves goods by goods	E. Commerce
	F. Trade
	G. Barter trade
	H. Foreign
	I. Transportation

SECTION B. (70Marks)

3. Differentiate the following concept

- a) Land and capital
- b) Entrepreneur and Labour
- c) Direct production and Indirect production
- d) Time Utility and place utility
- e) Form Utility and possession utility

4. Division of labor and specialization aimed to increasing production of goods and services.

Explain three (3) Advantages and three (3) disadvantages of division of labor and specialization

5. As a transportation officer you have been invited as guest speaker to address form two student about essential elements of transportation. Explain the points that you will focus on
6. Assume your name have been listed for an interview to work with Barepo Company. How would you explain the following Warehousing concepts to the interview panelist?
 - a) Warehouse
 - b) Sock valuation
 - c) Average Stock
 - d) Maximum stock
 - e) Stock taking
7. Blood is most important component in the human body as Entrepreneur does in the Economy Justify this statement by explain five function of an Entrepreneur.
8. Briefly the following concept in relation to Commerce
 - a) Banking
 - b) Insurance
 - c) Transportation
 - d) Communication
 - e) Ware housing
9. The following balances were extracted from Denis Supermarket as at 31 December 2009
 - Opening stock-----10,000/-
 - Expenses2000
 - Closing stock-----12,500/-
 - Purchases-----7,000/-
 - Sales -----8,000/-

You are required to find out the following

- i. Average Stock
- ii. Cost of goods sold
- iii. Cross profit
- iv. Net profit
- v. The rate of stock turn over

SECTION C (15 MARKS)

Answer ten questions

10. Reflect the basis for choosing distribution channel and then select the appropriate channel for any product of your own choice. Sate reasons for your selection (five points)