THE UNITED REPUBLIC OF TANZANIA

MINISTRY OF EDUCATION AND VOCATIONAL TRAINING

FORM TWO SECONDARY EDUCATION EXAMINATION, 2005

0061 **COMMERCE**

Time: 2 Hours.

INSTRUCTIONS

1. This paper consists of sections **A**, **B** and **C**.
2. Answer **ALL** questions.
3. **ALL** answers should be written in the spaces provided.
4. Write your examination number at the top-right corner of every page
5. **ALL** writing must be in **black** or **blue** ink.
6. Cellular phones and calculators are not allowed in the examination room.

FOR EXAMINER'S USE ONLY		
QUESTION NUMBER	**SCORE**	**EXAMINER'S INITIIALS**
1		
2		
3		
4		
5		
6		
7		
TOTAL		
CHECKER'S INITIALS		

SECTION A (30 MARKS)

1. For each of the following items, choose the correct answer and write its letter.

(i) The activity of storing goods is

A. transportation

B. warehousing

C. advertising

D. branding

(ii) Goods produced for exchange are

A. free goods

B. economic goods

C. luxury goods

D. consumer goods

(iii) The reward for capital is

A. wage

B. interest

C. rent

D. profit

(iv) Excess demand leads to

A. fall in price

B. rise in price

C. equilibrium

D. surplus

(v) A document reducing the amount payable by buyer is

A. invoice

B. receipt

C. debit note

D. credit note

(vi) A market that exists online is

A. physical

B. abstract

C. retail

D. wholesale

(vii) A shop selling many goods under one roof is

A. tied shop

B. mobile shop

C. hyper market

D. single shop

(viii) Goods imported for sale are

A. exports

B. imports

C. capital goods

D. free goods

(ix) A trader selling goods on the street is

A. broker

B. hawker

C. wholesaler

D. agent

(x) The difference between demand and supply causes

A. scarcity

B. price change

C. utility

D. profit

2. Choose the correct term from List B which matches with the explanation in List A, then write the letter below the number of the relevant explanation in the table provided

LIST A	LIST B
(i) Selling to consumers	A. Wage
(ii) Buying abroad	B. Rent
(iii) Payment for land	C. Retail trade
(iv) Storage of goods	D. Import trade
(v) Movement of goods	E. Export trade
(vi) Selling abroad	F. Transportation
(vii) Exchange without money	G. Warehousing
(viii) Organizing production	H. Barter trade
(ix) Promotion of goods	I. Entrepreneur

(x) Payment for labour	J. Advertising K. Interest L. Profit M. Commerce N. Wholesaler O. Consumer

3. Complete each of the following statements by filling in the blanks with correct word(s)

(i) Goods that satisfy wants directly are.....

(ii) Trade across borders is .....

(iii) Cost that remains unchanged is .....

(iv) Selling goods at reduced price is .....

(v) Reward for capital is .....

(vi) Goods kept for emergencies are .....

(vii) The person who bears risk is .....

(viii) Buying and selling is .....

(ix) The document showing goods returned is.....

(x) The reward for land is .....

SECTION B (30 MARKS)

4. Explain the followings

(a) Stock administration

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(b) Demand curve

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(c) Consumer

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(d) Wholesale trade

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(e) Communication

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5. State five advantages of large scale production.

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SECTION C (40 MARKS)

6. The table below shows stock records of Baraka Traders.

Description,	Quantity (kg)
Opening stock,	300
Purchases,	1200
Closing stock,	400
Average daily sales,	50

(a) Calculate total quantity sold.

(b) Calculate average stock.

(c) Determine rate of stock turn.

7. Explain five causes of price fluctuations.

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