THE UNITED REPUBLIC OF TANZANIA
NATIONAL EXAMINATIONS COUNCIL
ADVANCED CERTIFICATE OF SECONDARY EDUCATION EXAMINATION

152/2

COMMERCE 2
(For Both School and Private Candidates)

Time: 2 Hours 30 Minutes **2006 February, 16 Thursday a.m.**

INSTRUCTIONS

1. This paper consists of **eight (8)** questions in sections A and B.
2. Answer **five (5)** questions choosing at least two questions from each section. Question **number 4** is compulsory.
3. All questions carry equal marks.
4. Credit will be awarded for brief and well argued answers.
5. Cellular phones are **not** allowed in the examination room.
6. Write your **Examination Number** on every page of your answer booklet(s).

SECTION A

1. The value of modern money does not depend on whether it has any intrisic value. Discuss.

2. (a) Explain the importance of transport.

   (b) What are the functions of transport?

3. Briefly explain the following terms:

   (a) Yield rate.

   (b) Bureau de change.

   (c) Night safe.

   (d) Cash dispensers.

   (e) Skimming.

4. (a) What are:

   (i) liabilities of a company? (ii) assets of a company?

   (b) What is the purpose of a balance sheet of a company?

   (c) A firm has fixed assets valued at shs. 1.86 billion and stock of shs. 1.26 billion at cost which turns over four times a year. A gross profit of 25 % on sales is made.

   Find the percentage of the firm's profit to its capital.

SECTION B

5. Write shorts on the following:

   (a) Capital gain tax.

   (b) P.A.Y.E.

   (c) Excise duty.

   (d) Corporation tax.

6. Briefly discuss the nature and scope of staffing.

7. The efficiency of workers will be determined by the environment in which they work. Discuss.

8. (a) Define the term media.

   (b) Identify and explain the various ways of classifying media.

   (c) Explain the functions of advertising.