

PRESIDENT'S OFFICE

REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT

DARE SALAAM REGION

FORM FOUR MOCK EXAMINATION - 2024

COMMERCE

CODE 061

TIME 300 MIN

Thursday 18th July, 2024 P.M

INSTRUCTIONS

1. This paper consists of section **A**, **B** and **C** with a total of **eleven (11)** questions.
2. Answer **all** questions in section A and B and two (2) questions from section C
3. Section A carries **sixteen (16)** marks, section B **fifty-four (54)** marks and section C carries **thirty (30)** marks.
4. All writings must be in **blue** or **black** ink
5. Cellular phones and any unauthorized materials are **not** allowed in the examination room.
6. Write of **Examination Number** of every page of you answer booklet(s)

This paper consists of 4 printed pages

SECTION A (16 Marks)

Answer **all** questions in this sections

1. For each of the following item (I – x) choose the correct answer among the given alternative and write its letters in the space provided beside the item numbers.
- (i) An official acknowledgement and agreement between ship-owner and person who hire a ship is known as
 - (a) Liner conference
 - (b) Airway bill
 - (c) Consular invoice
 - (d) Bill of lading
 - (e) Charter party
 - (ii) The primary function of entrepreneur is
 - (a) To bear the risk and uncertainties
 - (b) To market the product
 - (c) To manage the production process
 - (d) To make huge profit
 - (e) To advice his/her employee
 - (iii) Which of the following items does not appear in the memorandum of an association
 - (a) Power of directors
 - (b) Type and amount
 - (c) Objects of a company
 - (d) Name of a company
 - (e) Liability clause
 - (iv) Asha was employed as a secretary at Mji mpya secondary school and she receives salary for her service. In which does the post held by Asha can be placed among the following factors of production?
 - (a) Land
 - (b) Labour
 - (c) Capital
 - (d) Organization
 - (e) Entrepreneurship
 - (v) If there was a farmer who had wheat and wanted salt he had to find one had salt and want wheat, this is an example of?
 - (a) Difficult in transporting
 - (b) Indivisibility of some items
 - (c) Need of double coincidence of wants
 - (d) Lack of measure of value
 - (e) Barter trade
 - (vi) Mr. Ally is a retailer who sells goods to customers on cash and credit terms: however, he opted to sell on credit in orders to attract more customers. Which document can be prepared to show total amount of goods sold to customers on credit?
 - (a) An invoice
 - (b) Credit note
 - (c) Debit note
 - (d) Proforma invoice
 - (e) Invoice
 - (vii) A cheque which is presented to the payee before the date on it is called
 - (a) Dishonored cheque
 - (b) Crossed cheque
 - (c) Stale cheque
 - (d) Post dated cheque
 - (e) Unpresentable cheque

- (viii) The taxes in which the impact is on one person while the incidence is on another person are known as
- Sales taxes
 - Indirect taxes
 - Income taxes
 - Direct taxes
 - Octroi taxes
- (ix) A life assurance policy where an assured person promises to pay premium for the rest of his life and compensation will be given to nominees is called
- Whole life policy
 - Endowment policy
 - Annuity policy
 - Family income policy
 - Term policy
- (x) The function which is NOT usually performed by a retailer is:-
- Transport goods
 - Storage of goods
 - Advice to customer
 - Changing the form of goods
 - Provide advice

2. Match the items in **column A** with the responses in **column B** by writing the letter of the correct response beside the item number

LIST "A"		LIST "B"	
i)	The movement a long a demand curve due to commodity price changes	A.	A composite demand
ii)	The responsiveness of demand for a product due to changes in income of the consumer	B:	Derived demand
iii)	The demand for a commodity that can be used in many ways.	C:	Ability to buy commodity
iv)	The quantity of a commodity required by buyers	D:	Change in quantity demand
v)	Increase in the price of one of the products lead to an increase in demand for the other	E:	Income elasticity of demand
vi)	Is the one of the conditions of effective demand	F:	Demand
		G:	Competitive demand
		H:	Joint Demand

SECTION B: (54 Marks)

Answer all questions from this section

3. (a) You have been given Fayma fresh milk stock information for three months of December 2021 as follows
- Minimum stock = 15,000 packets
 Daily sales = 17,000 packet
 Delivery time = 3 days
- You are required to calculate order point
- (b) Given the purchases 7,000/=-, Carriage inward 300/=-, opening stock 1,500/=-, closing stock 1,000/=-, return outwards 900/=- and return inward 2,000/=- profit margin 20%
- Required: calculate**
- Cost of goods sold
 - Cost of goods available for sale
 - Turnover
 - Stock turn rate

4. Asha is working as a machine operator for more than twelve years at Juke factory located at Mwanjelwa Mbeya and in all that time has never changed her job. What are the benefits that could be enjoyed by Asha and the business by concentrating on one job in twelve years? Explain six (6) points
5. (a) Mr Alois fears taking – up a life assurance policy because he does not know what makes such policy comes to an end. Explain to him three factors that make the life insurance policy comes to an end
- (b) Moses Phili and Augustine Okrah are professional players of Simba Sport Club. These players were living in one house in Kigamboni Dar es Salaam. The house was owned by Simba Sport Club. One day the house was bunt totally by fire and nothing remained. Augustine Okrah decided to go to the business insurance company didn't agree to his request of house compensation.
- (i) Which principle of insurance was applied by the company?
- (ii) Briefly explain another two principles which guides insurance business.
6. In delivery of information the sender always select the best media to deliver the message to the audience. Explain the relevant factors to be considered by the sender when selecting the medium to disseminate the information. (six points)
7. Remi and his friend need to establish a business unit that requires them to have the maximum number of 20 members.
- (a) Name the type of the business unit that will be formed.
- (b) Briefly explain four benefits of the business unit named in (a) above
8. Mr Kiembe Samaki a businessman of Kariakoo market faced you as a bank manager at CRDB Plc for additional capital . what necessary factors will you take into consideration before granting bank loan to Mr. Kiembe Samaki (six points)

SECTION C (30Marks)

Answer **two (2)** questions from this section

9. Mr. Kazi wants to withdraw money from his bank account through a cheque. Although his has enough balance with his bank account, the bank teller refused to make payment against such a cheque. What could be the reasons as to why bank teller refused to make such payment? (six points)
10. Due to shortage of goods produced within the country, it has been decided that importation of goods is necessary. After some years the rate of production were increased and the government decided to control the importation of goods from other countries. Give six methods that can be used to control the importation of goods from other countries.
11. Mr. Makasi wants to transport the goods to customers who are located in various parts of the world. He made a list of benefits and drawbacks of each mode of transport. As a form four business student you are required to explain to Mr. Makasi, factors that may be used when making a decision on which mode of transport will be choosen. (Give out six points)