

Name: \_\_\_\_\_ Stream: \_\_\_\_\_

**KING'S COLLEGE, BUDO**  
**HOLIDAY WORK TERM I 2020**  
**COMMERCE PAPER I**  
**S.3**

**INSTRUCTIONS.**

- Attempt all questions

1. Commerce is defined as;  
A. Industry and production  
B. Trade and aids to trade  
C. Industry and consumption  
D. Production and trade
2. Which of the following factors of production undertakes risks of a business?  
A. Labour  
B. Organization  
C. Capital  
D. Entrepreneurship
3. The place where goods are loaded and off-loaded is called\_\_\_\_\_  
A. Way  
B. Terminal  
C. Method of propulsion  
D. Unit of carriage
4. Choose the aids to trade that aims at finding out the opinion of the public about a particular product.  
A. communication  
B. Advertising  
C. Transport  
D. Market research
5. The agreement between a ship owner and the hirer of a ship to carry goods to a specified place in a given period of time is called\_\_\_\_  
A. Charter party  
B. Dumurrage  
C. Bill of lading  
D. Shipping conference
6. Activities aimed at getting the goods within the access of a consumer are referred to as;  
A. Production activities  
B. Research activities  
C. Trade activities  
D. Commercial activities
7. A situation where business expenses exceed the gross profit is called\_\_\_\_  
A. General losses  
B. Net profit  
C. Gross loss  
D. Gross profit
8. Road transport is widely used in Uganda because it is \_\_\_\_  
A. Reliable  
B. Quick  
C. Cheap  
D. Flexible

9. The provision of services falls under the production called;
- Commercial
  - Primary
  - Tertiary
  - Secondar
10. The term “good” refers to\_\_\_\_\_
- Anything we see
  - A thing owned by someone
  - Some tangible thing for which people are prepared to pay and use it later
  - Some intangible thing for which people are prepared to pay.
11. Lawyers are\_\_\_\_\_
- Tertiary producers
  - Secondary producers
  - Primary producers
  - Service producers
12. If margin is  $\frac{20}{100}$ , then mark up will be;
- $\frac{20}{100+20} \times 100$
  - $\frac{20}{100-20} \times 100$
  - $\frac{20}{100+20} \times 20$
  - $\frac{20}{100-20} \times 20$
13. Mining is an example of \_\_\_\_\_
- Tertiary production
  - Direct production
  - Secondary production
  - Primary production
14. The following statements is true of tramp steamers? they;
- Follow a fixed timetable and specific routes
  - Do not follow specific routes but use a fixed time table
  - Only follow specific routes
  - Do not follow a fixed time table
15. Trade means\_\_\_\_\_
- Buying and selling manufactured goods only
  - Selling of goods and services to ultimate consumers
  - Buying and selling of goods and services with the aim of making profits
  - An activity undertaken to make profit.

16. Railway transport is preferred to road transport because;

- A. It is cheap over long distances
- B. Goods can be sold enroute
- C. It is faster over short distance
- D. It is suitable and economical for expensive goods

17. If mark up is  $\frac{25}{100}$ , then margin will be;

A.  $\frac{25}{100+25} \times 100$

B.  $\frac{25}{100-25} \times 100$

C.  $\frac{25}{100+25} \times 25$

D.  $\frac{25}{100-25} \times 25$

18. A diesel engine in a trailer providing public transport falls under which element of transport.

- A. Unit of carriage
- B. Method of propulsion
- C. Terminal
- D. The way

A. 19. Production may be defined as\_\_\_\_\_

Creation of utility

- B. Transforming goods into better form
- C. The art of satisfying human needs
- D. Making manufactured goods

20. Which of the following statements is true?

- A. Economics is part of commerce
- B. Commerce is part of economics
- C. Commerce includes production
- D. A study of production includes commerce

**END**

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**COMMERCE PAPER 2**  
**S.3**

**INSTRUCTIONS.**

- Attempt all questions

1. (a) Give five reasons why commerce is studied in schools (10marks)  
(b) Describe and illustrate the structure of commerce. (10marks)
  
2. (a) Distinguish between;  
(i) Direct production and indirect production. (04marks)  
(ii) Primary production and secondary production. (04marks)  
(b) State and explain the factors of production giving the reward for each. (12marks)
  
3. (a) Explain any **five** factors that should be considered when choosing a mode of transport. (10marks)  
(b) Highlight **five** roles of transport in the development of trade. (10marks)
  
4. The following information was extracted from the books of accounts of a trader on 31/12/18.  
Cost of sales (cp)      -shs. 960,000  
Profit mark up              20%  
Expenses                  -shs. 80,000  
  
Calculate the trader's;  
(a) Sales (sp) (04marks)  
(b) Gross profit (04marks)  
(c) Net profit (04marks)  
(d) Margin (04marks)  
(e) Net profit percentage /ratio (04marks)

**END**