

34. Rate of turnover is calculated to determine:  
 A Total volume of sales.  
 B Number of times goods are bought and sold.  
 C Total value of goods in the store.  
 D Number of times goods are counted.
35. Which of the following is NOT a feature of hire purchase?  
 A A customer pays cash price plus interest.  
 B Customer pays initial deposit.  
 C Payment is by installment.  
 D Ownership of goods passes to the customer on payment of a deposit.
36. Credit in business is a:  
 A Form of loan.  
 B Means of saving money.  
 C Rebate for large and varied purchases.  
 D Compensation to a good and regular customer.
37. Speed is an important consideration for choice as a means of transport where goods are:  
 A Perishable.  
 B Fragile.  
 C Durable.  
 D Bulky.
38. The time allowed for loading and unloading a ship is referred to as:  
 A Days of grace.  
 B Charter by demise.  
 C Lay days.  
 D Time charter.
39. One advantage of personal selling is:  
 A Immediate feedback.  
 B Mass appeal.  
 C Speedy market coverage.  
 D Low cost.
40. A telecommunication instrument that will enable a customer to send an exact copy of a document to a recipient within the shortest possible time is called:  
 A Facsimile.  
 B Telephone.  
 C Computer.  
 D Express mail services.
41. In which of the following postal services is a certificate to posting issued to the sender?  
 A Recorded delivery.  
 B Special delivery.  
 C Registered post.  
 D Express Mail Service.
42. All activities involved in the distribution of goods and services are referred to as:  
 A Trade.  
 B Advertising.  
 C Commerce.  
 D Sales promotion.
43. A Trade in which many countries exchange goods and services is called:  
 A Bilateral trade.  
 B Entrepot trade.  
 C Economic Union.  
 D Multilateral trade.
44. Which of the following functions is NOT performed by retailers?  
 A Breaking of bulk.  
 B Ensuring regular stock for customers.  
 C Insuring goods for customers.  
 D Storing variety of goods.
45. A contract for the carriage of goods by sea is generally called:  
 A Charter by demise.  
 B Charter party.  
 C Voyage charter.  
 D Marine policy.
46. When goods are sent through an independent carrier, the document used by the sender is:  
 A A delivery note.  
 B An advice note.  
 C An invoice.  
 D A consignment note.
47. An agent who guarantees payment for goods sold on credit is:  
 A A factor.  
 B A del credere agent.  
 C A broker.  
 D An auctioneer.
48. When an industry formerly owned by individuals is taken over by the state, such an industry becomes:  
 A Privatized.  
 B Legalized.  
 C Nationalized.  
 D Indigenized.
49. One of the following is NOT a credit facility provided by commercial banks:  
 A Loan.  
 B Overdraft.  
 C Discounting of bill of exchange.  
 D Credit transfer.
50. Shareholders who receive bonus dividends are called:  
 A Cumulative preference shareholders.  
 B Participating preference shareholders.  
 C Ordinary shareholders.  
 D Non-cumulative preference shareholders.

STOP

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 NOW GO BACK AND CHECK YOUR WORK

**CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD**  
General Certificate Of Education Examination

**520 COMMERCE 1**

**JUNE 2014**

**ORDINARY LEVEL**

Centre No. & Name	
Candidate No.	
Candidate Name	

**520 COMMERCE 1: MULTIPLE CHOICE QUESTION PAPER**

**One and a half hours**

**INSTRUCTIONS TO CANDIDATES**

*Read the following instructions carefully before you start answering the questions in this paper. Make sure you have a soft HB pencil and an eraser for this examination.*

1. USE A SOFT HB PENCIL THROUGHOUT THE EXAMINATION.
2. DO NOT OPEN THIS BOOKLET UNTIL YOU ARE TOLD TO DO SO.

*Before the examination begins:*

3. Check that this question booklet is headed "Ordinary Level – 520 Commerce 1"
4. Insert the information required in the spaces above.
5. Insert the information required in the spaces provided on the answer sheet using your HB pencil:  
**Candidate Name, Exam Session, Subject Code, Centre Number and Candidate Number.**  
Take care that you do not crease or fold the answer sheet or make any marks on it other than those asked for in these instructions.

*How to answer the questions in this examination*

6. Answer **ALL** the 50 questions in this Examination. All questions carry equal marks.
7. Calculators are allowed.
8. Each question has FOUR suggested answers: **A, B, C** and **D**. Decide on which answer is correct. Find the number of the question on the Answer Sheet and draw a horizontal line across the letter to join the square brackets for the answer you have chosen.  
For example, if **C** is your correct answer, mark **C** as shown below:  
[A] [B] **[C]** [D]
9. Mark only one answer for each question. If you mark more than one answer, you will score a zero for that question. If you change your mind about an answer, erase the first mark carefully, then mark your new answer.
10. Avoid spending too much time on any one question. If you find a question difficult, move on to the next question. You can come back to this question later.
11. Do all rough work in this booklet, using, where necessary, the blank spaces in the question booklet.
12. Mobile phones are **NOT** allowed in the examination room.
13. **You must not take this booklet out of the examination room. All question booklets and answer sheets will be collected at the end of the examination.**

1. Rate of turnover is also known as:
  - A Turnover divided by stock at close.
  - B Turnover divided by stock at start.
  - C Stock turn.
  - D Return on turnover.
2. The postal service which need the use of specially printed envelopes and the trader pays for the postage is
  - A Special delivery.
  - B Registered post.
  - C Express post.
  - D Business reply services.
3. A document that regulates the internal operations of a company is known as:
  - A Memorandum of Association.
  - B Prospectus.
  - C Article of Association.
  - D Certificate of incorporation.
4. The difference between an invoice and a statement of account is that:
  - A A statement of account gives details of a transaction.
  - B A statement of account summarizes a transaction.
  - C Invoice shows summaries of transactions.
  - D Statement of account summarizes several transactions.
5. In which of the following does the number of words used determine the cost of message transmitted:
  - A Telephone.
  - B Fax.
  - C Telegram.
  - D Registered post.
6. The goods that are used for the production of other goods are known as:
  - A Commercial goods.
  - B Consumer goods.
  - C Capital goods.
  - D Durable goods.
7. One of the following partner allows his name to be used in the promotion of a business.
  - A Limited partner
  - B Ordinary partner
  - C Sleeping partner
  - D Nominal partner
8. A service which enables a customer of the bank to withdraw more money than what he has in his bank account is:
  - A Bank loan.
  - B Bank overdraft.
  - C Discounting bills.
  - D Credit cards.
9. The most comfortable means of transport for the carriage of passengers over long distances is:
  - A Air transport.
  - B Rail transport.
  - C Sea transport.
  - D Road transport.
10. A trader in Cameroon bought goods from America but re-exported them to Chad; what type of trade is this?
  - A Foreign trade.
  - B Home trade.
  - C Entrepot trade.
  - D Bilateral trade.
11. The cost of goods sold by Vatican Shopping Centre was 24,000,000FCFA. It had an opening stock of 5000,000FCFA and closing stock of 3,000,000FCFA. Calculate the rate of turnover:
  - A 5.4 times.
  - B 5.4 times.
  - C 8 times.
  - D 6 times.
12. A document which serves as a reply to a letter of inquiry is:
  - A Quotation.
  - B Invoice.
  - C Pro-forma Invoice.
  - D Order.
13. A wholesaler who deals in several items is known as:
  - A Single line.
  - B General.
  - C Specialist.
  - D Co-operative.
14. C.O.D transactions are associated with:
  - A Mail order firms.
  - B Mobile shops.
  - C Super markets.
  - D Multiple shops.
15. Which of the following is NOT required in the mail order business?
  - A Warehouse.
  - B Catalogue.
  - C Display room.
  - D Post office.
16. A type of ship that carries a specialized good is:
  - A Liners.
  - B Tramps.
  - C Ferry.
  - D Tankers'.
17. A foreign bill of exchange is drawn by?
  - A Importer.
  - B Shipping and forwarding agent.
  - C Exporter.
  - D Discount House.

18. The wholesaler who sells a particular line of goods is a:
- Specialist wholesaler
  - Single line wholesaler.
  - General wholesaler.
  - Part line wholesaler.
19. A variety chain store combines the characteristics of a:
- Chain store and multiple shop.
  - Chain store and department store.
  - Chain store and super market.
  - Chain store and super store.
20. A postal service that will not require a customer to pay an extra charge is:
- Registered post
  - Special delivery.
  - Recorded delivery.
  - First class mails.
21. A company obtained a bank loan which it secured with its assets. This loan is called
- Debenture.
  - Lease.
  - Mortgage.
  - Bank loan.
22. Domiciliation of a bill of exchange implies
- Guaranteeing to pay the bill.
  - Accepting the bill.
  - Presenting the bill.
  - Naming the bank and branch where the bill shall be paid
23. Turnover is the difference between:
- Total purchases and return outwards.
  - Total purchases and return inwards.
  - Total sales and return outwards.
  - Total sales and return inwards.
24. In sales promotion, an example of a premium will be:
- A tooth brush attached to a tooth paste.
  - Two packets of tooth paste sold at the price of one.
  - An increased quantity of tooth paste sold at the old price.
  - Reducing the price of a packet of tooth paste.
25. The Labeling of Food Regulations Act 1973 requires that tea should be sold in packets weighing:
- 100 grams or 200 grams.
  - 150 grams or 300 grams.
  - 125 grams or 250 grams.
  - 200 grams or 400 grams.
26. Which policy below is NOT a contract of indemnity:
- A fire policy taken by Mr. Chambe to cover his house.
  - A third party policy taken by Mr. Chambe to cover his car.
  - A fidelity guarantee policy taken by Mr. Chambe to cover his cashier.
  - An endowment policy taken by Mr. Chambe to cover his life.
27. Who is a drawer in the case of a bill of exchange?
- Seller.
  - Buyer.
  - Bank.
  - Acceptor.
28. A bank statement of account is monthly summary of:
- All transactions of a customer.
  - All transactions between supplier and the bank.
  - All transactions between customer and the bank.
  - A single transaction between customer and supplier.
29. When an enterprise has a work force of between 251 and 500 employees. It is considered a:
- Large enterprise.
  - Medium enterprise.
  - Small enterprise.
  - Extra large enterprise.
30. Which ONE of these forms of business units is considered as an unincorporated association?
- Joint stock companies.
  - Limited liability companies.
  - Public companies.
  - Sole proprietor.
31. An attempt by a manufacturer to increase the sales of his product within a limited period of time is known as:
- Advertising.
  - Public Relations.
  - Sales promotion.
  - Marketing.
32. Those who evaluate risks to determine if they should be accepted or rejected are called:
- Actuaries.
  - Assessors.
  - Lloyds of London.
  - Underwriters.
33. Commerce is concerned mainly with the
- Production of goods and services.
  - Consumption of goods and services.
  - Advertising of goods and services.
  - Distribution of goods and services.

Turn Over