35. The following are sales promotional techniques EXCEPT:
   A Free samples
   B Trade fairs
   C Television
   D Competition.

36. An organization whose management is democratically elected is called:
   A Public company
   B Public corporation
   C Co-operative society
   D Partnership.

37. A practice whereby goods are sold below the cost price in a department store is known as:
   A Price leadership
   B Loss leadership
   C Breaking bulk
   D Profits maximization.

38. Nationalization of industry means that its ownership becomes that of:
   A Tax payers
   B Shareholders
   C Indigenes
   D State.

39. The name given to a mail that is marked with a Blue cross, given a serial number and sealed with wax is called:
   A Registered post
   B Recorded delivery
   C Express delivery
   D Ordinary post.

40. Which of the facilities below can enable the customer to withdraw money even when a bank has closed?
   A A cheque
   B Standing order
   C Cash Dispenser
   D Direct debit.

41. A means of transport which is NOT easily affected by weather condition is:
   A Road
   B Sea
   C Rail
   D River

42. The banking facility that can be used to pay many creditors with one cheque called?
   A Certified cheque
   B Standing order
   C Credit transfer
   D Bank draft.

43. A refund of duties on goods meant for re-exportation is called:
   A Discount
   B Excise drawback
   C Subsidies
   D Customs drawback.

44. A contract of charter of a ship for a particular journey is:
   A Time charter
   B Demise charter
   C Voyage Charter
   D Demurrage.

45. When a customer is granted an overdraft, interest will be paid on the:
   A Whole amount
   B Extra amount overdrawn
   C Amount drawn
   D Amount overdrawn.

46. Goods were bought for 200,000 CFAF on the 01/01/2013 with these payment terms: 5% 7days, 2½ % 15days.
   What will be the cash discount if payment was made on the 13/01/13?
   A 10,000 CFAF
   B 5,000 CFAF
   C 20,000 CFAF
   D 50,000 CFAF.

47. Limited liability implies that shareholders are:
   A Liable to the debts of the company up to their personal properties.
   B Liable to the debts of the company up to their liabilities.
   C Liable to the debts of the company up to their capital contributed.
   D NOT liable to the debts of the company.

48. A factor that will NOT determine the location of a warehouse is:
   A Location of factory
   B Operating cost
   C Cost of goods
   D Cost of construction.

49. Goods liable for duties are stored in which warehouse?
   A Bonded
   B State
   C Border
   D Private.

50. The document used when an independent carrier is hired to deliver goods is called?
   A Debit note
   B Delivery note
   C Consignment note
   D Credit note.

STOP- NOW GO BACK AND CHECK YOUR WORK

CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD

General Certificate of Education Examination

520 COMMERCE 1

JUNE 2015 **ORDINARY LEVEL**

Centre Number	
Centre Name	
Candidate Number	
Candidate Name	

Mobile phones are NOT allowed in the examination room

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. Fill in the information required in the spaces above.
5. Fill in the information required in the spaces provided on the answer sheet using your HB pencil: **Candidate Number and Name, Center Number and Name.** 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.
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.
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. **At the end of the examination, the invigilator shall collect the answer sheet first and then the question booklet. DO NOT ATTEMPT TO LEAVE THE EXAMINATION HALL WITH IT.**

1 As a legal entity, a joint stock company can:
- A Close at any time
- B Not operate without a certificate of trading
- C Open at anytime
- D Sue and be sued.

2 The document that shows the quantity of goods that enter and leave a store is:
- A Bin card
- B Invoice
- C Delivery note
- D Statement of account.

3. The amount the assured receives if he decides to discontinue his life policy is known as:
- A Refunded value
- B Claim
- C Surrender value
- D Indemnification.

4. Which of these documents needs acceptance to guarantee payments?
- A Bank credit
- B Letter of credit
- C Letter of hypothecation
- D Bill of exchange.

5. A document showing details of goods and passengers carried in a ship or aircraft is known as:
- A Bill of lading
- B Airway bill
- C Manifest
- D Indent.

6. Which Act of parliament discourages misleading advertisement?
- A Sales of Goods Act
- B Unfair Trading Act
- C Trade Description Act
- D Advertising Act.

7. The act of stealing goods from a shop is described as:
- A Shopping theft
- B Shop lifting
- C Organized theft
- D Theft.

8. Loss leaders facilities are commonly offered by:
- A Supermarkets
- B Hypermarkets
- C Department stores
- D Multiple shops.

9. Which of the risks below is NOT covered by a fire policy?
- A Lightening
- B Explosion of domestic boilers
- C War
- D Damage by smoke.

10. Which of the following is involved in mail services in Cameroon?
- A CAMTEL
- B INTELCAM
- C CAMPOST
- D MINPOSTEL.

11. Advertising that targets the general public is called:
- A Mass advertising
- B Competitive advertising
- C Direct advertising
- D Indirect advertising.

12. What term below will NOT mean the same as the needs of an enterprise?:
- A Resources
- B Elements of production
- C Output
- D Input.

13. A request to an agent abroad to buy goods from a specific producer is known as:
- A Open indent
- B Indent
- C Foreign order
- D Close indent.

14. The document that shows evidence of payment is:
- A Receipt
- B Promissory note
- C Invoice
- D Postal order

15. The formula "sales – costs of goods sold "gives:
- A Net sales
- B Gross profits
- C Net turnover
- D Net worth.

16: Given that the cost of goods sold is 12,000,000 CFAF, and the average stock is 5,000,000 CFAF, then the rate of turnover is:
- A 2 times
- B 2.4 times
- C 24 times
- D 12 times.

17. The cost that do not change as output varies in the short-run is called?
- A Opportunity cost
- B Social cost
- C Fixed cost
- D Direct cost

18. A written agreement for the hiring of a ship is called:
- A Affreightment
- B Contract policy
- C Freight policy
- D Charter party.

19. A cheque signed by a bank on behalf of its client to guarantee payment is called:
    - A Negotiable cheque
    - B Non negotiable cheque
    - C Certified cheque
    - D Crossed cheque.

20. The choice of an advertising medium depends on the following factors EXCEPT:
    - A Cost of medium
    - B Effectiveness of medium
    - C Target market
    - D Location of medium.

21. The real owners of a company are:
    - A Ordinary shareholders
    - B Preference shareholders
    - C Debentures holders
    - D Participating preference shareholders.

22. Imported goods are stored in bonded warehouses in order to await:
    - A Payments of transport charges
    - B Collection
    - C Demand
    - D Payment of duties.

23. Who fills and signs a cheque?
    - A Drawer
    - B Drawee
    - C Payee
    - D Customer.

24. The main purpose of a bill of lading in sea transport is that it allows:
    - A Ownership of goods to be claimed
    - B Goods to be transported by sea
    - C Goods to be transported abroad
    - D Transfer of ownership of goods.

25. Working capital is calculated as:
    - A Gross profits – expenses
    - B Current assets – current liabilities
    - C Total assets – current assets.
    - D Total assets – debtors.

26. The insurance firm that caters for the welfare of workers as governed by the Cameroon labour code is:
    - A Beneficial Life Insurance
    - B National Social Insurance Fund
    - C Coling All Life Insurance
    - D Satelite Insurance Company.

27. Commerce as a branch of production is concerned with:
    - A Changing location of goods and services
    - B Distributing goods and services
    - C Changing the form of goods
    - D Changing the ownership of goods.

28. Electrical engineering is a specialized occupation in which branch of production?
    - A Manufacturing
    - B Industry
    - C Commerce
    - D Direct Services.

29. All of the following have limited liabilities EXCEPT
    - A Ordinary shareholders
    - B Underwriters
    - C Sleeping partners
    - D Preference shareholders.

30. A document sent by a potential buyer to many suppliers at the same time is called:
    - A Order form
    - B Advice note
    - C Letter of enquiry
    - D Pro forma invoice.

31. Which of the following resources of an enterprise will be subject to depreciation?
    - A Land
    - B Capital
    - C Labour
    - D Entrepreneur.

32. Which of the following is granted when a customer operates a current account?
    - A Short term loan
    - B Discount
    - C Long term loan
    - D Overdraft.

33. A recent development in the transportation of goods which is meant to reduce handling cost is by the use of:
    - A Pallet
    - B Tight Security
    - C Fork lift.
    - D Cranes.

34. A grouping of shipping companies to protect their common interest is:
    - A Conference
    - B Charter party
    - C Baltic exchange
    - D Shipping Association.