CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD

General Certificate of Education Examination

JUNE 2019 **ADVANCED LEVEL**

Subject Title	**Commerce and Finance**
Paper No	**2**
Subject Code No.	**7020**

THREE HOURS

Answer any **FOUR** questions. All questions carry equal marks.

In all cases involving calculations, you are advised to show all the steps in your workings.

You are reminded of the necessity for good English and orderly presentation of your answers.

1. Joint stock companies are dominant business units in every nation.
(a) Define joint stock companies and explain **four** characteristics of joint stock companies with two examples. **(12 marks)**
(b) Discuss **four** merits of owning part of a joint stock company. **(8 marks)**
(Total 20 marks)

2. Insurers in Cameroon encounter numerous problems.
(a) Define insurance and examine **four** of these problems. **(10 marks)**
(b) Who are underwriters? Examine **four** functions of underwriters. **(10 marks)**
(Total 20 marks)

3. Commercial banks are different from other financial institutions.
(a) Define and examine **four** differences between a commercial bank and a microfinance institution. **(12 marks)**
(b) Explain **four** types of securities considered by commercial banks when granting loans. **(8 marks)**
(Total 20 marks)

4. International trade benefit countries in a number of ways.
(a) Examine **five** reasons why countries engage in international trade. **(10 marks)**
(b) Discuss **five** strategies used by countries to restrict international trade. **(10 marks)**
(Total 20 marks)

5. Consumers are always considered "king", yet they are always exploited.
(a) Advance **five** ways in which they are exploited. **(10 marks)**
(b) Explain **five** ways in which they can be protected. **(10 marks)**
(Total 20 marks)

(a) Define production and explain the various stages of production in commerce required to meet consumer's needs with an example each. **(10 marks)**
(b) Discuss **five** components of aids to trade. **(10 marks)**
(Total 20 marks)