

CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD

General Certificate of Education Examination / Technical and Vocational Education Examination

0520 COMMERCE 1

JUNE 2020

ORDINARY / INTERMEDIATE LEVELS

Centre Number	GCE REVISION
Centre Name	
Candidate Identification No.	gcerevision.com
Candidate Name	http://www.gcerevision.com

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 / Intermediate Levels – 0520 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 Name, Exam Session, Subject Code and Candidate Identification 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.
7. Calculators are allowed.
8. Each question has **FOUR** suggested answers: **A, B, C** and **D**. Decide which answer is appropriate. 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 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.**

Turn Over

1. Home trade is usually sub-divided into;
A Retail trade and import trade.
B Whole sale trade and export trade.
C Whole sale trade and retail trade.
D Retail trade and export trade.

2. A partner who does not take part in the sharing of profits in a partnership business is called:
A Quasi partner.
B Nominal partner.
C Active partner.
D Limited partner.

3. The document that permits a public limited company to start business is called:
A Certificate of incorporation.
B Articles of Association.
C Certificate of Trading.
D Memorandum of Association.

4. The importation of goods for re-export is known as:
A Foreign trade.
B Entrêpot trade.
C Export trade.
D Import trade.

5. A clerk employed by a bank can be classified under which of the following;
A Industry.
B Direct services.
C Commerce.
D Tertiary industry.

6. An advertisement directed to the general public is;
A Informative advertisement.
B Indirect advertisement.
C Persuasive advertisement.
D Direct advertisement.

7. The following risks are insurable EXCEPT;
A Loss caused by natural disaster.
B Losses caused by civil unrest.
C Fidelity guarantee.
D Burglary.

8. The following are features of commercial banks EXCEPT;
A They are Limited liability companies.
B Profits maximization is their main objective.
C They form part of the money market.
D Regulating other banks.

9. The greatest advantage of sea transport over other forms of transport is that it is:
A Slow.
B Faster.
C Cheaper.
D Flexible.

10. A retail outlet with no display room but relies on catalogues to sell goods is referred to as:
A Mail Order Business.
B Post Office.
C Independent trader.
D Mobile Shop.

11. If the rate of VAT is 10%, and the cost price of goods is 500,000 CFAF, determine VAT amount:
A 50,000 CFAF.
B 5,000 CFAF.
C 45,000 CFAF.
D 450,000 CFAF.

12. A crossed cheque with the name of the bank between the parallel lines refers to:
A General crossing.
B Endorsed cheque.
C Special crossing.
D Certified cheque.

13. Gross profits less expenses is:
A Selling price.
B Mark up.
C Net profits.
D Margin

14. An advertising medium that has limited information is known as:
A Magazines.
B Television.
C Radio.
D Posters

15. The sale of goods unfit for consumption is prevented by which of the following acts?
A Consumer credit Act.
B Fair trading Act.
C Sales of goods Act.
D Unsolicited price Act.

16. A bank facility that enables customers to deposit money after closing hours is called;
A ATM.
B Franking machine.
C Cash dispenser.
D Night safe.

17. A mail service that pays full compensation for missing item is;
A Express delivery.
B Recorded delivery.
C Registered post.
D Special delivery.

18. The difference between visible exports and visible imports is called:
A Balance of trade.
B Trade gap.
C Terms of trade.
D Balance of payments.

19. The amount paid for space not used in a ship is:
A Chartered freight.
B Demurrage.
C Dead freight.
D Duck dues.
20. Enterprises can be classified according to the following EXCEPT:
A Activity.
B Size.
C Production.
D Ownership.
21. An accepted bill of exchange entitles the creditor to do the following EXCEPT:
A Settle his bills.
B Endorse it to a third party.
C Keep it till date of maturity.
D Make a promise to pay.
22. A document used when a hired means of transport is used is known as:
A Consignment note.
B Advice note.
C Delivery note.
D Dispatch note.
23. An enterprise whose capital ranges between 50 and 500 millions CFAF in Cameroon is said to have:
A Normal size.
B Small size.
C Large size.
D Medium size.
24. Foreign trade is sub-divided into;
A Import and Export.
B Wholesale trade and export trade.
C Export trade and import trade.
D Enterpret Trade and import.
25. The retail shop whose section are controlled by "buyers" is called:
A Multiple shops.
B Department stores.
C Supermarket.
D Hypermarket.
26. The abbreviation 'E&O.E' refers to:
A Errors and Omissions Exempted.
B Errors and Omissions Excluded.
C Errors and Omissions Excepted.
D Errors and Omissions Expected.
27. Which of these facilities below enable bank customers to withdraw money from their accounts at any time?
A Cheques.
B Standing orders.
C Automatic Teller Machine.
D Direct debit.
28. Telefax means;
A Faxcimile.
B Fascimile.
C Facsimile.
D Faxesimile.
29. When an insurer transfers part of a risk to another insurance company. It is called:
A Surrender value.
B Contribution.
C Re-insurance.
D Contribution.
30. One reason why Cameroon is involved in foreign trade is;
A Due to differences in natural endowment.
B Promote peace and security.
C Increase external debts.
D Ensure a balance of payments surplus.
31. The document issued to show a summary of trade transactions for a month is:
A Invoice
B Promissory note.
C Credit note.
D Statement of account.
32. An advert that targets a particular market segment is referred to as:
A Informative advertisement.
B Direct advertisement.
C Persuasive advertisement.
D Indirect advertisement.
33. In a hire purchase transaction the buyer must pay what fraction of price to make repossession impossible?
A $\frac{2}{3}$
B $\frac{1}{2}$
C $\frac{1}{3}$
D $\frac{3}{4}$
34. Cost of goods sold ÷ average stock equals:
A Rate of turn over.
B Margin.
C Net sales.
D Turnover.
35. An agent that take possession of goods and sells in his own name is known as:
A Factor.
B Del credere agent.
C Broker.
D Forwarding agent.
36. A cheque NOT presented for payment for more than six months is known as;
A Post-dated cheque.
B Dishonoured cheque.
C Stale cheque.
D Endorsed cheque.

37. A form of advert used by a firm to launch a new product is known as:
 A Informative advertising.
 B Collective advertising.
 C Persuasive advertisement.
 D Competitive advertising.
38. The only document below which is used in foreign trade is:
 A Credit sales invoice.
 B Consular invoice.
 C Promissory note.
 D Pro forma invoice.
39. A transportation means that links other transport systems is known as:
 A Rail transport.
 B Canal transport.
 C Road transport.
 D Sea transport.
40. A foreign order to an agent to buy good from named manufacturer is known as:
 A Consular invoice.
 B Open indent.
 C Indent.
 D Closed indent.
41. The greatest advantage of air transport over other forms of transport is that it is:
 A Faster.
 B flexible
 C Good to carry bulk goods.
 D Transshipment free
42. The restriction on the importation of particular types of goods into a country is known as:
 A Quota.
 B Tariffs.
 C Export subsidies.
 D Embargo.
43. A licensed agent that sell goods to the highest bidder is known as:
 A Factor.
 B Auctioneer.
 C Broker.
 D Del Credere agent.
44. The profits made by a businessman that sells goods for 200,000 CFAF at a margin of 25% is worth:
 A 50,000 CFAF.
 B 40,000 CFAF.
 C 25,000 CFAF.
 D 45,000 CFAF.
45. A rebate given to the retailer by the wholesaler to enable him make profits is known as:
 A Commission.
 B Cash discount.
 C Trade discount.
 D Mark-up.
46. The document required by a private company to start business is:
 A Articles of Association.
 B Certificate of incorporation.
 C Certificate of trading.
 D Memorandum of Association.
47. An insurance principle that allows a company to take over the scrap value after full compensation is:
 A Indemnity.
 B Subrogation.
 C Proximate cause.
 D Contribution.
48. The amount paid to an insured who discontinues payment of premium in life insurance policy is called:
 A Indemnity.
 B Premium.
 C Surrender value.
 D Annuity.
49. Shop lifting is NOT common with which of the following types of retail shops?
 A Mail order shops.
 B Department stores.
 C Hypermarket.
 D Mobile shops.
50. A deceased or retired partner whose share of capital is retained in the business as a loan is known as;
 A Nominal partner.
 B Quasi partner.
 C Active partner.
 D Limited partner.

STOP

GO BACK AND CHECK YOUR WORK