

GENERAL CERTIFICATE OF EDUCATION BOARD

General Certificate of Education Examination

Commerce 2
0520

JUNE 2023

ORDINARY LEVEL

Subject Title	Commerce
Paper No.	Two
Subject Code No.	0520

Two and a half hours

Answer FOUR questions. All questions carry equal marks.

INSTRUCTIONS

1. *You are reminded of the necessity for good English and orderly presentation in your answers.*
 2. *The use of SIMPLE electronic calculator is allowed.*
 3. *Show clear working in your answer booklet where necessary.*
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1. (a) Distinguish between an Incorporated and an Unincorporated business using suitable examples. (8 marks)
 (b) Explain any **FOUR** advantages of a sole trader as a form of business. (6 marks)
 (c) Outline any **SIX** features of co-operative societies. (6 marks)

2. (a) Define the following terms;
 i) Enterprise,
 ii) Entrepreneur,
 iii) Entrepreneurship. (6 marks)
 (b) Outline any **TWO** functions of the following departments of an enterprise;
 i) Production,
 ii) Marketing,
 iii) Stores. (6 marks)
 (c) Explain any **FOUR** importance of warehousing to commerce and industry. (8 marks)

3. (a) Briefly explain the following types of business documents;
 i) Catalogue,
 ii) Invoice,
 iii) Credit note. (6 marks)
 (b) State and explain any **FOUR** services of a wholesaler to the retailer. (8 marks)
 (c) Explain **FOUR** advantages of shopping in a department store. (6 marks)

4. (a) The information below are extracts from the trading, profits and loss accounts of a business at the end of a trading period.

Particulars	Amount (CFAF)
Opening inventory	20,000
Closing inventory	10,000
Purchases	40,000
Sales	80,000
Working expenses	12,000

You are required to calculate;

- i) gross profits,
 ii) net profits,
 iii) rate of turnover,
 iv) net profits as a percentage of sales. (8 marks)
 (b) Name and briefly explain **FOUR** methods of advertising goods. (8 marks)
 (c) Outline any **FOUR** reasons why consumers need to be protected. (4 marks)

5. (a) Explain any **FOUR** functions of the central bank in an economy. (6 marks)
 (b) What are the differences between a current account and a deposit account. (8 marks)
 (c) Explain the role of insurance to an economy. (6 marks)

6. (a) State and briefly explain **FOUR** factors that have led to the growth of foreign trade. (8 marks)
 (b) Explain the advantages of sea transport over air transport. (8 marks)
 (c) Outline the importance of containerization as a mode of transport. (4 marks)