

7030/ P1/ 2025

Commerce and Finance /ATVEE

## SOUTH WEST REGIONAL MOCK EXAMINATION TECHNICAL AND VOCATIONAL EDUCATION

|   |   |                   |
|---|---|-------------------|
| The Teachers' Resource Unit (TRU) in collaboration with the Subject Teachers' Association (STA) | Subject Code<br>7030  | Paper Number<br>1 |
| CANDIDATE NAME<br>.....   | Specialty: All Commercial<br>Specialties except Home Economics. |                   |
| CANDIDATE NUMBER<br>.....   | Subject title   |                   |
| CENTRE NUMBER<br>.....  | COMMERCE AND FINANCE  |                   |
| ADVANCED LEVEL  | DATE<br>FRIDAY 28 <sup>TH</sup> MARCH 2025                      |                   |

**Time Allowed ONE and a Half Hours**

**INSTRUCTIONS TO CANDIDATES:**

1. USE A SOFT HB PENCIL THROUGHOUT THIS 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 "Commerce and Finance 7030 Paper 1".
4. Insert the information required in the spaces provided above.
5. Without opening the booklet, pull out the answer sheet carefully from inside the front cover of this booklet. 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.
6. Insert the information required in the spaces provided on the answer sheet using your HB pencil:  
Candidate Name, Centre Number, Candidate Number, Subject Code Number and Paper Number  
How to answer questions in this examination:
7. Answer ALL the 50 questions in this examination. All questions carry equal marks.
8. Calculators are allowed.
9. For each question there are four suggested answers, A, B, C, and D. Decide 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 ]
10. Mark only one answer for each question. If you mark more than one answer, you will score zero for that question. If you change your mind about an answer, erase the first mark carefully, and then mark your new answer.
11. Avoid spending much time on any question. If you find a question difficult, move to the next question. You can come back to this question later.
12. Do all rough work in this booklet using, where necessary, the blank spaces in the question booklet.
13. Mobile phones are NOT ALLOWED in the examination room.
14. You must not take this booklet and answer sheet out of the examination room. All question booklets and answer sheets will be collected at the end of the examination.

1. The act of making, providing purchasing, or selling goods or services can be described as
  - A Economic activity
  - B Tangible production
  - C Intangible production
  - D Aid of trade
2. Individual Ownership is known as?
  - A Joint Trade Business
  - B Sole Proprietorship
  - C Co-Operative Society
  - D Partnership
3. The selling of products at a Price less than the on-going price in the market is referred to as.
  - A Quota
  - B Tariff
  - C Subsidy
  - D Dumping
4. In international trade, countries are favoured to trade with others if they have:
  - A Absolute cost advantage.
  - B Multilateral cost advantage
  - C Opportunity cost advantage
  - D Comparative cost advantage
5. Trade association by firms producing the same products with the aim of dominating the supply of a commodity in the market is known as:
  - A Trust
  - B Cartel
  - C Merger
  - D Trade Union
6. A loss which occurs in marine insurance when a vessel or cargo is abandoned because the cost of restoration is more than the loss is called:
  - A Constructive Total Loss
  - B General Average
  - C Actual Total Loss.
  - D Partial Loss
7. International Trade is most likely to generate short-term unemployment in:
  - A Industries in which there are neither imports nor exports
  - B Import-competing industries
  - C Industries that sell to domestic and Foreign buyers.
  - D Industries that sell to only foreign buyers
8. The spot exchange rate is the exchange rate between two currencies for
  - A For future delivery
  - B For delivery at a particular spot in future
  - C For immediate delivery
  - D For Convenience
9. Which term is apt to describe the reward to shareholders representing their right in the company's profits?
  - A Earnings
  - B Coupon
  - C Interest
  - D Dividend
10. The market where security instruments are traded directly between buyers and sellers is known as
  - A Secondary market
  - B Primary market
  - C Tertiary market
  - D Over the Counter Market
11. The right to receive money in the future is called
  - A Account Payable.
  - B Account Receivable
  - C Liability
  - D Revenue
12. Which of the following is a form of short term loan?
  - A Debentures
  - B Bills discounted
  - C Mortgage
  - D Purchase of shares
13. A trader gains 15% after selling an item at 10% discount on the printed price. The ratio of the cost price and printed price of the item is
  - A 17: 18
  - B 18: 23
  - C 18: 25
  - D 17: 23
14. A retailer gets a discount of 40% on the printing price of an article. The retailer sells it at the printing price. His gain percent is
  - A 55%
  - B 40%
  - C 75%
  - D 67%
15. Given that a trader is paid a fixed amount of CFAF 50,000 plus 20% of the sales above CFAF 500,000. Calculate his commission on sales worth CFAF 1,000,000.
  - A CFAF 50,000
  - B CFAF 100,000
  - C CFAF 150,000
  - D CFAF 200,000
16. A firm invested 45,000,000 FCFA in a bank at 12% rate of interest. How much interest would the firm receive after 5 years?
  - A 79,305,375.74 FCFA
  - B 34,305,375.74 FCFA
  - C 5,400,000FCFA
  - D 50,400,000FCFA
17. Which of the following is a limitation to credit creation?
  - A Inflation
  - B Deflation
  - C Economic growth
  - D Increased interest rate

18. In a certain insurance Policy plan, the risk cover lapses and the policyholder receives no benefits if he survives till the end of the period. This is known as
- Money Back Plan
  - Endowment Plan
  - Term Insurance Plan
  - Whole life insurance plan
19. When the amount for which a subject matter is insured is more than its actual value, it is called
- Under Insurance
  - Reinsurance
  - Co-Insurance
  - Over Insurance
20. Throwing goods overboard a ship to harm the ship owner's interest is termed
- Jettison
  - Endorsement
  - Barratry
  - Assignment
21. If working capital is 100,000 and current ratio is 2:1, then the amount of current asset is:
- 100,000
  - 200,000
  - 150,000
  - 250,000
22. In 2024, NJOUKE purchased 2,000,000 FCFA of inventory. The cost of goods sold for 2024 was 2,200,000 FCFA and the ending inventory on December 31, 2024, was 400,000 FCFA. What was the inventory turnover for 2024?
- 4
  - 4.4
  - 5.5
  - 11
23. \_\_\_\_\_ is a market for lending & borrowing of short-term funds.
- Money Market
  - Primary Market
  - Capital Market
  - Stock exchange
24. What is the purpose of a prospectus in a capital market?
- To provide financial statements of a company
  - To disclose information about a company's business and financial performance
  - To promote a company's products or services
  - To announce a company's dividend payments
25. Which of the following is a form of equity?
- Debenture
  - Retained earnings
  - Preference share
  - Commercial paper
26. Benji is holding hundred shares of a company. He has been given a privilege offer to subscribe to a new issue of shares of the same company in proportion of 2:1 to the number of shares already possessed by him. Identify the method of floatation being described in the above case.
- Offer Through Prospectus
  - Offer for Sale
  - Rights Issue
  - Private Placement
27. Stock exchanges provide an opportunity to the investors to disinvest and invest. Identify the related function of the stock exchange.
- Providing scope for speculation.
  - Liquidity to existing securities
  - Pricing of security
  - Spreading of equity risk
- Use this data to answer questions 28, 29 and 30:
- |                   |            |
|-------------------|------------|
| Opening stock     | 5 000 000  |
| Purchase          | 12 000 000 |
| Sales             | 24 000 000 |
| Closing stock     | 2 000 000  |
| Overhead expenses | 3 000 000  |
28. The cost of goods sold is
- 21 000 000
  - 17 000 000
  - 19 000 000
  - 15 000 000
29. The rate of turnover is
- 0.6
  - 0.8
  - 4.3
  - 2.1
30. What is the net profit realised?
- 15 000 000
  - 6 000 000
  - 9 000 000
  - 10 000 000
31. Capital gearing refers to relationship between equity and
- Short term debt
  - Long term debt
  - Retained earnings
  - Goodwill
32. In case of depression, it is better for a company to remain in:
- Low gearing
  - High gearing
  - Insolvency
  - Debt
33. Equity Shares are?
- Non-redeemable
  - Redeemable
  - Non-Transferrable
  - Transferrable

34. When the value of the British pound changes from \$1.50 to \$1.25, the pound has \_\_\_\_\_ and the dollar has \_\_\_\_\_.

- A Appreciated; appreciated
- B Depreciated; appreciated
- C Appreciated; depreciated
- D Depreciated

35. The Long term loan rates are determined in

- A The money markets.
- B The capital markets.
- C The stock markets.
- D The foreign exchange markets

36. An example of an itinerant trader is

- A Discount shop
- B Mobile shop
- C Multiple shop
- D Departmental shop

37. Which of the following trade middlemen is responsible for bringing buyers and sellers together?

- A Agent
- B Broker
- C Retailer
- D Wholesaler

38. The casual purchase of goods in a shop when the buyer had no intension of buying them is:

- A Impulse buying.
- B Discount purchase.
- C Customer's relationship.
- D Eyecatching.

39. It is a network of a number of branches situated at different localities in the city or in different parts of the country.

- A Multiple Shops
- B Consumers Cooperative Store
- C Departmental Stores
- D Supermarkets market

40. The claims by preferred shareholders on a firm's assets and income come \_\_\_\_\_ those of ordinary shareholders and \_\_\_\_\_ those of creditors.

- A Before, also before
- B After, after
- C Before, after
- D After, before

41. FRANCO is the price of goods at

- A Importer's warehouse
- B Exporter's warehouse
- C Port of Origin
- D Porte of Destination

42. The expression of ordinary dividends as a percentage of market value is called;

- A Earnings per share
- B Dividend cover
- C Yield
- D Rate of dividend

43. An insurance company charges 100 FCFA premium for every 10,000 FCFA worth of insurance. What is the premium payable on a car worth 6,000,000 FCFA?

- A 10,000 FCFA
- B 100,000 FCFA
- C 600,000 FCFA
- D 60,000 FCFA

44. As regard credit purchases, ownership is after:

- A Paying the first installment.
- B Completing the full cost.
- C Contract is reached.
- D Signing the contract

45. which of the following is a method used by consumers to protect consumers?

- A Labelling
- B Legislation
- C Association of users
- D Caveat emptor

| Month | Jan    | Feb    | Mar    |
|-------|--------|--------|--------|
| Sales | 35,000 | 40,000 | 30,000 |

46. Customers settle 50% in the month of sale, 35% in one month and 15% in the next month.

Calculate the total amount of arrears collection in the month of March

- A 19,250
- B 34,250
- C 33,250
- D 8,250

47. In budgeting, what do we consider the key budget factor?

- A Cash budget
- B Sales budget
- C Master budget
- D Production budget

48. A firm's opening stock is 300 units, closing stock 200 units and quantity of goods sold 1,000 units. Determine rate of turnover.

- A 500 units
- B 4 times
- C 1.5 times
- D 250 units

49. Markup rate is profit expressed as a percentage of

- A Sale
- B Capital
- C Cost
- D Expenses

50. 'Individuals or firms who buy currency in low rate markets to sell at a gain in high rate markets are called

- A Bulls
- B Bears
- C Stags
- D Arbitrageurs

END,  
GO BACK AND CHECK YOUR WORK.