

CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD

General Certificate of Education Examination

0520 COMMERCE 1

JUNE 2019

ORDINARY LEVEL

Centre Number	
Centre Name	
Candidate Identification No.	
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 — 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.

11 DO NOT ATTEMPT TO LEAVE THE EXAMINATION HALL WITH IT.

Turn Over

1. Commerce is usually sub-divided into:
A Trade and banking.
B Buying and selling.
C Production and distribution
D Trade and aids to trade.
2. Which of the accounts below earns interest?
A Sight deposit account.
B Loan deposit account.
C Current account.
D Deposit account.
3. The term "Uberrimae Fidei" means:
A Indemnity.
B Proximate cause.
C Insurable interest.
D Utmost Good faith.
4. The following are banking institutions EXCEPT: A
COBAC.
B BICEC.
C BEAC.
D NFC.
5. The price quotation which indicates that cost of goods includes delivery charges is called;
A Carriage forward.
B Cash on delivery.
C Carriage Paid.
D Cash with order.
6. A transport mode that requires no special routes is called:
A Road.
B Rail.
C Sea.
D Air.
7. When profits are expressed as a percentage of cost price, this is called:
A Markup.
B Margin.
C Stock-turn.
D Average stock.
8. An agent that earns extra income for guaranteeing payments for goods sold on credit is called;
A Del credere agent.
B Factor agent.
C Broker agent.
D Forwarding agent.
9. A cheque presented for payment after its expiration date is called:
A Stale cheque.
B Dishonoured cheque.
C Post-dated cheque.
D Counter cheque.
10. A Public company issues which of the following documents when offering shares for sale?
A Articles of Association.
B Prospectus.
C Memorandum of Association.
D Certificate of incorporation.
11. Enterprises can be classified according to the following EXCEPT:
A Ownership.
B Nature of activity.
C Size of business.
D Responsibility.
12. If stock at start is 10, 000,000 CFA F, stock at close is 8,000,000 CFA F and Cost of goods sold is 27,000,000 CFA F. Calculate the rate of turnover:
A 3 times.
B 4 times.
C 2 times.
D 5 times.
13. A warehouse where goods are kept pending payment of duties is called:
A Customs warehouse.
B Public warehouse.
C Bonded warehouse.
D General warehouse.
14. A promotional tool used to boost the image of an atrophic is:
A Advertisement.
B Sales promotion.
C Public relations.
D Personal selling.
15. The charges for a Business reply Service are paid by the:
A Seller.
B Buyer.
C Agent.
D Transporter.
16. An agreement for the hiring of ships is known as:
A Affreightment.
B Charter party.
C Contract policy.
D Assignment.
17. An insurance policy that is compulsory in Cameroon is called:
A Fidelity guarantee.
B Employer's liability.
C Third party insurance.
D Comprehensive motor insurance policy.
18. A bank account that enables the holder to obtain an overdraft facility is:
A Current account.
B Savings account.
C Deposit account.
D Time deposit account.

19. The government department that controls the quality of meat and animal products is called:
A Price controls department.
B Forestry department.
C National Security.
D Sanitation and veterinary department.
-
20. Which of the following investors below is a creditor to a company?
A Preference shareholder.
B Ordinary shareholder;
C Cumulative preference shareholder.
D Debenture holder.
-
21. The factor of production that earns wages is called:
A Land
B Capital.
C Labour.
D Entrepreneur.
-
22. Impulse buying occurs when goods are purchased:
A In bulk.
B On credit.
C Unplanned.
D At a discount.
-
23. Net 30 days on an invoice implies that:
A After 30 days discount is allowed.
B Trade discount is allowed within 30 days..
C Cash discount is allowed on the 30th day.
D Cash discount is not allowed after 30 days.
-
24. The activity that ensures the storage of goods before sales is;
A Bonded warehouse.
B Warehouse.
C Advertising.
D Warehousing.
-
25. The methods below are used in settling commercial debts EXCEPT:
A Money order.
B Postal order.
C Postal cheques.
D Crossed cheques.
-
26. Which of the following risks is uninsurable? A
Embezzlement by cashier.
B Motor accident.
C Poor harvest
D Floods.
-
27. The main role of an insurance company is to; A Pool risks.
B Pay claims.
C Cover risks.
D Determine the degree of risks.
28. Charges paid by ship for exceeding delay days is:
A Dead freight.
B Demurrage.
C Freight.
D Duck dues.
29. A complete prohibition on trade in goods is called:
A Exchange control.
B Embargo.
C Quotas.
D Tariffs.
30. A credit note is identified easily because it is;
A Usually printed in red.
B Used when goods are undercharge.
C Used when purchased in cash.
D Used when goods are bought on credit.
31. The Act that protects consumers against misleading adverts is called:
A Hire Purchase Act.
B Quality control department.
C Trade Description Act.
D Sales of Goods Act.
32. Owners of a joint stock company are called:
A Ordinary shareholders.
B Preference shareholders.
C Debenture holders.
D Participating preference shareholders.
33. An INCOTERM which covers the costs, freight and insurance on imports is:
A C & F.
B DDP
C FOB
D CIP.
34. A manufacturer sells directly to consumers when:
A They want to make more profits.
B Their location is nearer to consumers.
C Goods produced are perishable.
D Transport costs need to be eliminated.
35. In which circumstance may a debit note be used?
A The buyer is undercharged.
B Buyer returns unwanted goods.
C Buyer makes prompt payments.
D Invoice is overcharged.
36. A polite request for payments before delivery of goods is effected by issuing:
A A delivery note.
B An invoice.
C A credit note.
D A pro forma invoice.

37. The choice of a good transport system will depend on all of the following EXCEPT:
A Freight charges.
B Need for urgency.
C Weather condition.
D Tonnage.
-
38. Visible exports refers to:
A Selling goods abroad.
B Services sold abroad.
C Goods bought from abroad.
D Goods sold abroad.
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39. The production of goods for personal consumption implies:
A Direct production.
B Primary production.
C Secondary production.
D Indirect production.
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40. Given that the cost of goods sold is 2,400,000 CFAF on a mark-up of 20%. Determine the gross profits.
A 48,000 CFAF.
B 24,000 CFAF.
C 480,000 CFAF
D 240,000 CFAF
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41. An agent responsible for the shipment of goods is called:
A Forwarding agent.
B Merchantile agent.
C Broker.
D Factor.
-
42. The offer of gifts and free samples to stimulate sales is referred to as:
A Advertisement.
B Publicity.
C Sales promotion.
D Public relations.
-
43. A trade restriction which is aimed at raising revenue is:
A Export subsidy.
B Customs drawback.
C Tariffs.
D Exchange control.
-
44. A document prepared by a supplier showing the current prices and the terms of trade is called:
A Quotation.
B Price current.
C Order form.
D Catalogue.
-
45. Profit expressed as a percentage of cost price is known as:
A Mark-up.
B Stock-turn.
C Margin.
D Average stock.
-
46. An agent who is paid a commission on goods sold is
A Factor.
B Broker.
C Auctioneer.
D Del credere.
-
47. A cheque that cannot be cashed before its due date is called:
A Stale cheque.
B Dishonoured cheque.
C Post-dated cheque.
D Crossed cheque.
-
48. Orders to buy items needed by any department in an enterprise are addressed to:
A Stores department.
B Production department.
C Purchase department.
D Accounting department.
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49. Production can be sub-divided into the following:
A Industry, Trade and Commerce.
B Commerce, and Industry.
C Manufacturing, Banking and Trade.
D Industry, Direct Services and Commerce.
-
50. A cheque guaranteed by a bank for payments is called:
A Counter cheque.
B Bearer's cheque.
C Post-dated cheque.
D Certified cheque.

STOP

GO BACK AND CHECK YOUR WORK