

END OF TERM EXAMINATIONS

S.1 COMMERCE

TIME: 1 ½ HRS

INSTRUCTIONS:

-  Do all numbers in section **A** by circling the letter corresponding with the best alternatives and any two from section **B**:

SECTION B:

1. The usefulness in a good to satisfy human wants is called.....
(A) Consumption (C) production
(B) Utility (D) exchange
2. Which of the following is a reward to an entrepreneur?
(A) Interest (C) Rent
(B) Profits (D) sales
3. The final stage in the process of production is ;
(A) Consumption (C) Trade
(B) Exchange (D) distribution
4. The following factors affect demand for a commodity except the.....
(A) Number of buyers (C) Taste of consumers
(B) Number of sellers (D) income of the consumers
5. The desire backed up by the ability and willingness of a buyer to pay for a given commodity or service at a given price in a given period of time is called;
(A) Demand (C) consumption
(B) Supply (D) exchange
6. Fishing ,lumbering and mining activities are classified under.....
(A) Tertiary production (C) secondary production
(B) Primary production (D) subsistence production
7. The main branches of commerce are.....
(A) Production and exchange (C) Trade and aids to trade
(B) Production and consumption (D) home trade and foreign trade
8. Service of the Uganda Police are examples of ;
(A) Secondary production (C) tertiary production
(B) Primary production (D) direct production
9. If an increase in price of commodity, x leads to an increase in demand of commodity Y; the two commodities are said to be;
(A) Complementary goods (C) inferior goods

- (B) Substitute goods (D) public goods
10. Interest is a reward for the service of;
- (A) Labour (C) capital
- (B) Entrepreneur (D) land

SECTION B:

11. (a) Distinguish between Division of labour and specialization (4marks)
(b) Give any four advantages and 4 disadvantages of specialization (4marks)
12. (a) What is commerce? (2marks)
(b) Draw a diagram showing the branches of commerce? (14marks)
(c) Give any four importance of studying commerce
13. (a) Distinguish between direct and indirect production? (4marks)
(b) Explain any three levels/stages of production? (6marks)
(c) State any five factors of production giving a reward for each. (4marks)

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