MID TERM I EXAMS 2019

S. 3 COMMERCE 800/1 2019

TIME: 2 HOURS AND 30 MINUTES

SECTION A: (20 MARKS)

Attempt all questions by writing the correct alternative in the answer sheet provided

1. Activities related the actual buying and selling of goods and services are;

A: Trade activities C: Commercial activities

B: Aids to trade activities D: Business activities

2. An agent who sells goods on behalf of his/her client is known as

A: Commercial agent C: Del-credere

B: Factor D: Broker

3. A document which enables a joint stock company to settle disputes among shareholders is

A: Prospectus

B: Articles of association

C: Memorandum of association

D: Certificate of incorporation

4. A pre-determined amount of goods to be imported or exported by a country in a given period of time

is called

A: Exports C: Quota

B: Imports D: Consignment

5. Earnings from German tourists in Uganda are classified as Uganda's

A: visible exports C: visible imports

B: invisible exports D: invisible imports

6. The document used by a supplier as a polite request for payment in advance is a

A: Consular invoice C: Dispatch note

B: proforma invoice D: Cash sale slip

7. A business man bought 60 pairs of shoes at a cost s of 15,000/= each. She received a trade discount of 8% and a cash discount of 2%. How much did she finally pay for the shoes?

A: shs 877,500   C: shs 828,000

B: shs 900,000   D: shs 807,300

8. What is the minimum and upper legal number of professional doctors who would like to run a partnership?

A: 2 : 20   C: 2 : 50

B: 7 : 50   D: 7 : infinite

9. A debit note is issued to correct

A: an under charge on an invoice

B: an under charge on a statement of account

C: an over charge on an invoice

D: an over charge on a statement of account

I0. A document which allows a public company to exist as a legal body is called

A: certificate of trading   C: memorandum of association

B: certificate of incorporation   D: articles of association

11. Activities aimed at getting the goods within the access of a consumer are referred to as

A. Production activities   C. International activities

B. Trade activities   D. Commercial activities

12. A bill of exchange payable on demand is called

A: Usance bill C: bill of exchange

B: Sight bill D: bill of lading

13. Retail outlets that sell products of the same manufacturer only are called

A: Village shops C: Departmental stores

B: Multiple shops D: Supermarkets

14. Money refunded to a manufacturer by the government when the trader decides to export goods that he had imported is called

A: Entreport C: Excise duty

B: Customs duty D: Customs draw back

15. Which one of the following is a reason for restricting imports in a country? to

A: attract foreign investors

B: encourage dumping

C: improve balance of payments position

D: encourages imported inflation

16. An allowance a seller gives to a customer when payment is made within a specified credit period is

called

A: trade discount C: cash discount

B: commission D: quantity discount

17. The following are characteristics of public limited company's EXCEPT

A: The liability of members is limited C: Has minimum of two members

B: Has minimum of seven members D: the shares are freely transferable

18. The difference between a broker and a factor is that a

A: broker owns the goods unlike a factor

B: factor possesses the goods unlike a broker

C: factor get higher commission unlike a broker

D: broker sells goods in his own names unlike a factor.

19. A price quotation which excludes all expenses up to the buyer's premises is called

A: Franco   C: Duty paid

B: Landed   D: Loco

20. A bill of lading is

A. an indent

B. a document of title which evidences the ownership of goods

C. a certificate of inspection

D. a bill for goods in international trade

SECTION B:

Attempt four questions of your choice

21. a) Define the term branding.   (02 marks)

b) Outline the functions of branded goods.   (08 marks)

c) How does branding assist retail trade?   (10 marks)

22. What is meant by the following terms:

i) balance of trade   (02 marks)

ii) balance of payments   (02 marks)

b) What advantages does Uganda enjoy by trading with other countries?   (06 marks)

c) Why might it be disadvantageous for Uganda to be too dependent on international trade.   (10 marks)

23. a) Explain the use of each of the following documents to a company.

i) articles of association (03 marks)

ii) memorandum of association (03 marks)

iii) prospectus (03 marks)

iv) certificate of incorporation (03 marks)

b) Give four ways in which government can support the private sector. (08 marks)

24. (a) Why do consumers need government protection? (6 marks)

(b) What methods does the government of Uganda employ to protect consumers? (14 marks)

25. (a) Explain any five services a wholesaler offers to a manufacturer. (10 marks)

(b) Give any five circumstances under which a wholesaler may not be necessary in the chain of distribution. (10 marks)

26.(a) Define a partnership deed. (2 marks)

(b) Outline eight items contained in a partnership deed. (8 marks)

(c) Outline five advantages of a partnership form of business. (10 marks)

END