05

UGANDA BUSINESS AND TECHNICAL EXAMINATIONS BOARD

Business and Humanities Certificate Examinations

NOV-DEC SERIES

PROGRAMME

NCSS, NCBS, CBMS, CLIS

PAPER NAME

COMMERCE

PAPER CODE

NCSS003/ NCBS007/CBMS111

2½ HOURS

FRIDAY, 6th DECEMBER, 2019

INSTRUCTIONS TO CANDIDATES

1. *This paper consists of* ***two*** *sections* ***A*** *and* ***B.***
2. *Section* ***A*** *is compulsory and carries* ***20*** *marks.*
3. *Section* ***B*** *consists of* ***seven*** *questions. Answer only* ***four*** *questions from this section.*
4. *All questions carry equal marks.*
5. *All answers to each question should begin on a fresh page.*
6. ***Do not*** *write on the question paper.*
7. *All answers and rough work should be done in the official answer booklet provided.*
8. *Read other instructions on the answer booklet.*

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SECTION A - (20 MARKS)

Answer all questions in this section

Question One

(a) State **two** basic human needs. (02 marks)

(b) Identify **two** contents of an invoice. (02 marks)

(c) Outline **three** parties in a cheque. (03 marks)

(d) Distinguish between **horizontal** and **vertical** communication. (02 marks)

(e) List **three** examples of bank accounts operated by commercial banks. (03 marks)

(f) Define the term **insured**. (02 marks)

(g) Outline **two** types of documents used in international trade. (02 marks)

(h) Outline **two** advantages of joint stock companies. (02 marks)

(i) Distinguish between **home trade** and **foreign trade**. (02 marks)

SECTION B - (80 MARKS)

Answer only four questions from this section

Question Two

(a) Explain **five** importance of specialization. (10 marks

(b) Discuss **five** challenges associated with specialization. (10 marks

Question Three

An insurance company has organized a sensitization workshop in your home area to educate the public about principles of insurance and insurance policies. Assuming that y are one of the speakers;

(a) Explain **five** principles you would present to the participants. (10 mar

(b) Describe **five** policies being referred to in the scenario. (10 mar

Question Four

Young achievers high school students have organized a training for its members to cover a wide range of issues for the good of their club. You have been invited to talk about "Money".

(a) Describe **five** qualities of the topic above. (10 marks)

(b) Explain **five** functions of the topic. (10 marks)

Question Five

Joseph, Mary and Grace deal in importation of products and they are confused on which mode of transport to use in transporting their goods. As a person who has knowledge in commerce;

(a) Explain **five** factors to consider in choosing the best mode. (10 marks)

(b) Discuss **five** modes they can use to carry out their activity successfully. (10 marks)

Question Six

MAKO Investments, is a business operating in your home town dealing in assorted goods. The company's sales have reduced and management has attributed it to communication challenges with her customers. Management is ready to facilitate a day's workshop to handle the challenge;

(a) Explain **five** essentials of the topic which is proving a challenge to the organization. (10 marks)

(b) Discuss **five** benefits of being in touch with their customers. (10 marks)

Question Seven

Florence is a regular importer of goods from Japan but she is not aware of the essential features of a warehouse and its importance. As a knowledgeable person;

(a) Explain **five** essential features of the facility mentioned above. (10 marks)

(b) Explain **five** importance of keeping goods in the facility in 7(a). (10 marks)

Turn Over

Question Eight

A trader in your locality bought goods worth UGX 1,000,000. She was offered 20% trade discount and 5% cash discount if she pays promptly. She also presented the following data for 2018;

Details	UGX (000)
Cash at bank	60,000
Furniture	6,000
Land	10,000
Creditors	80,000
debtors	60,000
Stock	100,000
Bank overdraft	4,000

Using the above information;

(a) Calculate;

i. How much she will pay after the trade discount. (03 marks)

ii. How much she will pay for the goods if she pays promptly. (03 marks)

(b) Compute the following;

i. Value of current assets. (04 marks)

ii. Value of fixed assets (03 marks)

iii. Working capital (04 marks)

iv. Net capital employed (03 marks)

END