

GENERAL CERTIFICATE OF EDUCATION BOARD

General Certificate of Education Examination

Commerce 2
0520

JUNE 2022

ORDINARY LEVEL

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| Subject Title | Commerce |
| Paper No. | Two |
| Subject Code No. | 0520 |

Two and a half hours

Answer any FOUR questions. All questions carry equal marks.

INSTRUCTIONS

1. *You are reminded of the necessity for good English and orderly presentation in your answers.*
 2. *The use of SIMPLE electronic calculator is allowed.*
 3. *Show clear working in your answer booklet where necessary.*
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Turn Over

1. (a) Name and explain any **FOUR** differences between a private enterprise and a public enterprise. (8 marks)
 (b) Explain any **THREE** internal sources of finance to a public company. (6 marks)
 (c) Outline any **SIX** reasons for the continual existence of small businesses in Cameroon. (6 marks)

2. (a) Define the following terms;
 i) Land,
 ii) Capital,
 iii) Entrepreneur. (6 marks)
 (b) Explain any **THREE** criteria of classifying enterprises in Cameroon. (6 marks)
 (c) Name and explain any **FOUR** types of warehouses. (8 marks)

3. (a) Explain the following business documents;
 i) Order,
 ii) Advice note,
 iii) Statement of account. (6 marks)
 (b) Briefly explain any **FOUR** services of the wholesaler to the manufacturer. (8 marks)
 (c) Outline any **THREE** reasons for direct dealing in the chain of distribution of goods. (6 marks)

4. (a) The table below shows extracts from the accounting records of NDOLO Enterprise at the end of a trading period.

| Particulars | Amount (CFAF) |
|--------------------|---------------|
| Opening stock | 150,000 |
| Closing stock | 50,000 |
| Cost of goods sold | 600,000 |
| Purchases | 400,000 |
| Working expenses | 50,000 |
| Mark-up | 25% |

You are required to calculate;

- i) Gross Profit,
 ii) Net profit,
 iii) Gross profit as a percentage of sales.
 iv) Rate of turnover. (8 marks)
 (b) Name and explain any **FOUR** advantages of advertising to the economy. (8 marks)
 (c) Outline any **FOUR** government departments that protect consumers. (4 marks)

5. (a) How are commercial banks important to businessmen in terms of the following?
 i) Deposits,
 ii) Payments,
 iii) Lending. (6 marks)
 (b) Outline the importance of using cheques as means of payments. (6 marks)
 (c) Distinguish between insurable and uninsurable risks.
 (d) Briefly explain any **TWO** of the following types of risks;
 i) Fidelity guarantee,
 ii) Accident,
 iii) Employer's liability. (8 marks)

6. (a) Name and explain any **FOUR** benefits of international trade to the economy of Cameroon (8 marks)
 (b) Which factors should a businessman consider when choosing a means of transport? (8 marks)
 (c) Outline any **FOUR** advantages of pipeline transport over other modes of transport. (4 marks)

GO BACK AND CHECK YOUR WORK