For Performance Measurement

ZIMBABWE SCHOOL EXAMINATIONS COUNCIL

General Certificate of Education Ordinary Level

COMMERCE 4049/01

PAPER 1 Multiple Choice

SPECIMEN PAPER 1 hour 15 minutes

Additional materials:
Multiple Choice answer sheet
Soft clean eraser
Soft pencil (type B or HB is recommended.)

TIME 1 hour 15 minutes

INSTRUCTIONS TO CANDIDATES

Do **not** open this booklet until you are told to do so.

Write your name, Centre number and candidate number on the answer sheets in the spaces provided unless this has already been done for you.

Read very carefully the instructions on the answer sheet.

INFORMATION FOR CANDIDATES

Each correct answer will score **one** mark. A mark will not be deducted for a wrong answer. Any rough working should be done in this booklet.

There are **forty** questions in this paper. Answer **all** questions. For each question there are four possible answers **A**, **B**, **C** and **D**. Choose the one you consider correct and record choice in soft pencil on the separate answer sheet provided.

This question paper consists of 7 printed pages and 1 blank page.

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1 In which stage of production is more value added to goods?

A direct production
B primary production
C secondary production
D subsistence production

2 Which is the correct order in the production process?

A commercial → secondary → primary
B commercial → primary → secondary
C primary → secondary → commercial
D primary → commercial → secondary

3 Which is **not** an advantage of specialisation?

A craftsmanship is developed
B more goods are produced
C prices of goods are reduced
D quality of goods is improved

4 Which is a producer good?

A car
B tractor
C television
D umbrella

5 The reward for enterprise is

A wages.
B rent.
C profit.
D interest.

6 The purpose of an indent is to state the

A goods available.
B goods delivered.
C goods insured.
D goods required.

7 A document used when goods are transported by sea is a bill of

A carriage.
B entry.
C exchange.
D lading.

8 What is **not** considered when calculating the balance of trade?

A duty paid for imported goods
B entry fees paid by tourists
C value of goods exported
D value of goods imported

9 Which action is taken to correct an unfavourable balance of payment?

A import more goods
B reduce customs duty
C reduce foreign currency allocation
D remove import quotas

10 Which document is used to request payment from customers?

A advice note
B delivery note
C order form
D statement of account

11 A wholesale formed by farmers is a

A cash and carry wholesaler.
B co-operative wholesale society.
C general wholesaler.
D specialist wholesaler.

12 Which is a function of the Consumer Council of Zimbabwe (CCZ)?

A advise consumers of best buys
B establish consumer shops
C fix prices of goods
D test goods for quality

13 Trade Measures Act deals with

A prices of goods.
B quality of goods.
C value of goods.
D weight of goods.

14 Which is **not** true of Private Limited Companies and Public Limited Companies?

A both are financed by shareholders
B both have a minimum of two shareholders
C both have limited liability
D both sell shares at the stock exchange

15 Which is a risky investment?

A cumulative preference shares
B ordinary shares
C participating preference shares
D redeemable shares

16 Which document states the objects of a company?

A Articles of Association.
B Certificate of Incorporation.
C Company Prospectus.
D Memorandum of Association.

17 The term "limited" in an incorporated business means that

A the amount of goods sold is limited.
B the liability of shareholders is limited.
C the number of shares is limited.
D the number of shareholders is restricted.

18 Which is **not** a characteristic of an entrepreneur?

A self confidence
B self discipline
C self minded
D self starter

19 The service offered by building societies is

A offering loans to start a business.
B offering overdrafts as working capital.
C offering loans to build houses.
D offering salaries to civil servants.

20 Which organisation finances foreign trade?

A Building society
B Merchant Bank
C Post Office Saving Bank
D Reserve Bank of Zimbabwe

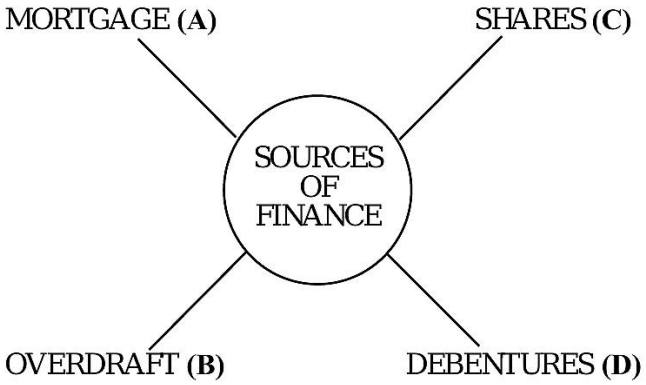
21 Which is **not** a function of the Reserve Bank of Zimbabwe?

A accepting deposits from the public
B allocating foreign currency
C clearing of cheques
D replacing worn-out notes

22 Which is an objective of the Small Enterprise Development Corporation (SEDCO)?

A It encourages and assists in the formation of co-operatives.
B It fights poverty in middle and low income nations.
C It is a non-profit making financial organisation.
D It provides long-term infrastructural finance for construction of roads.

23 The diagram shows sources of finance available to "BEN AND TICH" Pvt Limited Company.



Which of the above does not attract interest?

Use the following information to answer questions **24** and **25**.

X insures his car valued at $20 000 against accidents for $12 000. Later the car is involved in an accident and the cost of repairs is $6 000.

24 What amount will the insurance company pay as compensation?

A $3 600
B $6 000
C $12 000
D $20 000

25 Which principle is applied to determine the compensation?

A average clause
B contribution
C proximate cause
D subrogation

26 Which policy falls under assurance?

A consequential loss policy
B endowment policy
C mortgage guarantee policy
D pluvious policy

27 Which policy covers customers injured within the shop?

A comprehensive
B employers liability
C fidelity guarantee
D public liability

28 Which insurance principle states that the insured must not make a profit?

A average clause
B indemnity
C insurable interest
D utmost good faith

29 Which mode of communication can a trader use to encourage customers to respond to a survey?

A business reply service
B express mail service
C free post
D poste restante

30 Which telecommunication sends exact copies of diagram?

A data post
B facsimile
C radio paging
D telex

31 Which service enables people in different locations to speak face to face?

A confravision
B datel
C franking
D prestel

32 Which mode of communication is considered as formal?

A e-mail
B facebook
C skype
D whatsapp

33 Freightliners are

A cargo ships operating on regular routes.
B high speed, long distance cargo trains.
C inter-continental cargo aeroplanes.
D tankers carrying large amounts of oil.

34 Why has the volume of cargo carried by air increased?

A economic use of fuel
B low maintenance charges
C no transhipment of cargo
D speedy movement of goods

35 In containerisation, the term "groupage" means

A storing containers in one warehouse.
B transporting a number of containers in one ship.
C transporting consignments to different destinations.
D using one container for a number of consignments.

36 Which is **not** allowed in a bonded warehouse?

A branding goods
B exporting goods
C manufacturing goods
D selling goods

37 Which type of warehouse is located near customers?

A bonded warehouse
B manufacture's warehouse
C retailer's warehouse
D wholesaler's warehouse

38 Which product is suitable for a niche market?

A blankets
B bread
C chocolates
D clothes

39 Which medium can a school use to advertise broilers?

A poster
B television
C radio
D magazine

40 Which is **not** mass marketing?

A creation of generic brands and brand loyalty
B everyone should be a customer of the product
C making products which have a universal appeal
D tailoring a product to a particular type of customer

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