**COMMERCE FORM FOUR 2020**

1. (a) Explain what would happen if money is not rightly controlled? Give four points.
   1. Describe six merits of barter system.
2. (a) Explain four indicators of good internal communication in the industry.
   1. Elaborate six advantages of written communication.
3. (a) Explain five means in which any exporter may secure payments.
   1. Discuss three incentives provided by the governments to its exporters to improve exports.

(c) What is the difference between pro-forma invoice and consular invoice? Give their importance in relation to international trade.

1. (a) Elaborate four main types of organization structure.
   1. Explain six principles of organization.

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| 5. | (a) | A wholesaler J. Gerald sells his product (maize) at Tsh 500 per kg. He gives trade | |
|  |  | discount to his customers as shown here under: | |
|  |  | Less than 1,000 kg 10% | |
|  |  | From | 1,000 kg to 5,000 kg 25% |
|  |  | Over 5,000 kg 30% | |
|  |  | One of his customers bought 4,550 kg | |
|  |  | Calculate: | |
|  |  | (i) | The amount of trade discount given to that customer. |
|  |  | (ii) | The actual amount to be paid to J. Gerald. |

(b) The following information was extracted from the books of Nyakamande a wholesale trader for the financial year ending 31st​​M ay 2016.

Closing stock Tsh 240,000

Gross profit Tsh 320,000

Net purchases Tsh 720,000

Cost of goods sold Tsh 800,000

Salaries Tsh 80,000

Cash in hand Tsh 15,000

Calculate the follow ing:

* + 1. Opening stock.
    2. Net sales.
    3. Average stock.
    4. Rate of stock turn.

1. (a) Explain​​ seven​ ​rights ​​of ​​partners ​​in ​​the ​​partnership ​​if ​​the ​​partnership ​​is ​​formed​​ without partnership ​​deed.
   1. Elaborate ​​three​​ circumstances​​ which​​ cause​​ the​​ dissolution ​​of ​​the​​ partnership.
2. (a) Critically ​​explain ​​the ​​term ​​trade ​​and ​​describe ​​its ​​branches.
   1. Explain​​ six ​​basic​​ activities​​ which​​ facilitate​​ smooth​​ running ​​of ​​trade.
3. (a) Briefly ​​explain ​​the​​ term ​​transport.
   1. Urafiki ​​text​​ile ​​industry​​ in ​​Dar-es-Salaam ​​buys ​​raw ​​materials​ ​(cotton) ​​in ​​large​​quantity from ​​Mwanza​​ region.​​ Such​​ raw ​​material​​s needs ​​to ​​be ​​transported​​ to ​​Dar-es​​ Salaam ​​to effect​​ production. ​​Advise​​ them ​​the ​​proper​​ mode ​​of​​ transport ​​to​​ be​used​​ by​​ describing those five advantages ​​and​​ five ​​disadvantages ​​of ​​its ​​use.
4. (a) Identify​​ the ​​three ​​main ​​types​​ of ​​intermediaries ​​in​​ import ​​trade.
   1. Explain ​​three​​ importance ​​of ​​bill​​ of ​​lading​​ in​​ exporting ​​of​​ goods.
   2. What​ ​is ​​meant ​​by​​ a ​​letter ​​of​​ credit?​​ Identify ​​and ​​describe​​ its​​ types.