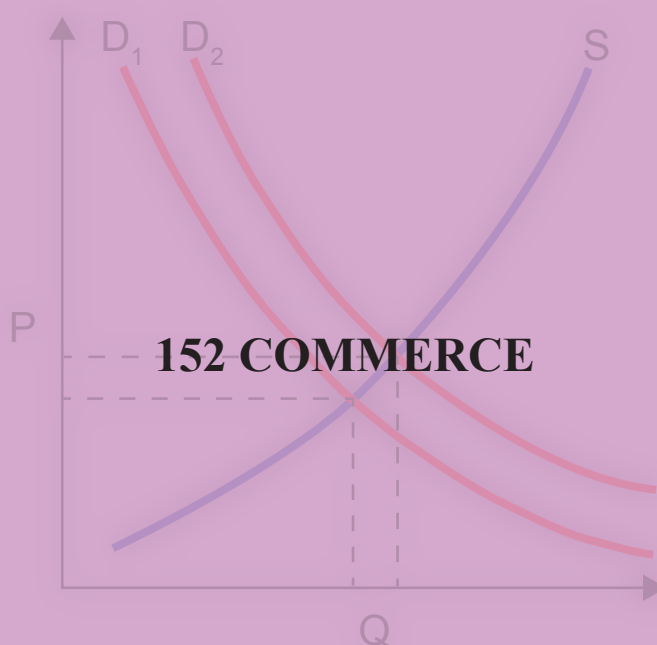


THE NATIONAL EXAMINATIONS COUNCIL OF TANZANIA



**CANDIDATES' ITEMS RESPONSE ANALYSIS REPORT
FOR THE ADVANCED CERTIFICATE OF SECONDARY
EDUCATION EXAMINATION (ACSEE) 2017**



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EDUCATION EXAMINATION (ACSEE) 2017**

152 COMMERCE

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FOREWORD

The report on the Candidates Item Response Analysis (CIRA) in Commerce subject, for the Advanced Certificate of Secondary Education Examination (ACSEE) 2017 is to provide feedback to students, teachers, parents, policy makers and the public in general on the performance of the candidates and the challenges they face in attempting the examination questions.

The Advanced Certificate of Secondary Education Examinations (ACSEE) marks the end of two years of Advanced Secondary Education. It is a summative evaluation which shows the effectiveness of the educational system in general and education delivery system in particular. Generally, the candidates' responses to the examination questions is a strong indicator of what the educational system was able or unable to offer to the candidates during their Advanced Level Education.

The analysis given in this report is intended to contribute towards the understanding of some of the reasons which are behind the good/bad performance of the candidates in each question. The report pinpoints the factors that made the candidates to score high marks in the questions. Such factors include adequate knowledge and skills on the subject, identification of the demand of the questions, ability to follow the instructions and good essay writing skills. Furthermore, the report highlights the factors that made a few candidates to score low marks. The feedback provided will enable the education administrators, school managers, teachers and students to identify applicable measures to be taken in order to improve the candidates' performance in future examinations administered by the Council.

The National Examinations Council of Tanzania will highly appreciate comments and suggestions from teachers, students and the public in general, that can be used for improving future Examiners' Reports.

Finally, the Council would like to thank all those who participated in the preparation of this report.



Dr. Charles E. Msonde
EXECUTIVE SECRETARY

1.0 INTRODUCTION

This report analyses the performance of candidates who sat for 152 Commerce subject for Advanced Certificate of Secondary Education Examination (ACSEE) on May 2017.

The examination tested the candidates' competences as stipulated in the Commerce syllabus for Advanced Level Secondary School, which was issued in the year 2010. The examination comprised two (2) papers; 152/1 Commerce and 152/2 Commerce. Each paper had eight (8) questions which were distributed into two (2) sections; A and B. Each section had four (4) questions. The candidates were required to answer five (5) questions from each paper.

In Commerce paper one (152/1), the candidates were required to choose three (3) questions from section A and two (2) questions from section B, making a total of five (5) questions. In Commerce paper two (152/2), the candidate were also required to choose three (3) questions from section (A) and two (2) questions from section (B). However, question one (1) was compulsory in both papers. Each question was allotted twenty (20) marks.

This report analyses the performance of the candidates in each individual question by highlighting the candidates' performance in relation to the demand of the question. In addition, the report pinpoints strengths and weaknesses in the candidates' responses. Samples of extracts from the candidates' responses have been inserted to illustrate the answers.

The total number of candidates who sat for this paper in May 2017 was **1,530**, out of which **1516 (99.8%)** passed the examination with the grades shown in table 1.

Table 1: The Candidates' performance in grades

Grade	A	B	C	D	E	S	F
Number of candidates	-	73	502	633	272	36	14

Data from table 1 revealed that 1,516 candidates passed in 2017 by obtaining grade B to S, while 14 candidates failed by obtaining grade F. The candidates' performance in 2017 had been increased by 1.82 percent, as compared to 2016.

The performance in each question is rated as poor, average or good if the percentage of the candidates who scored 35 percent or above of the marks allotted to the question falls in the range of 0 – 34, 35 – 59 or 60 – 100 respectively. Such performance is indicated by using colours, whereby green stands for good, yellow for average and red for poor, as seen in the graphs and in the Appendix.

2.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH QUESTION

2.1 152/1 COMMERCE PAPER 1

2.1.1 Question 1: Insurance

The question had two parts, namely part (a) and (b). In part (a) the candidates were required to describe the terms: (i) Re-insurance (ii) Co-insurance (iii) Double Insurance (iv) Over Insurance and (v) Sum Insured. In part (b), they were required to differentiate Life Insurance from Property Insurance. This question was compulsory, hence it was attempted by all (100%) the candidates, out of which 35.2 percent scored from 12 to 19.5 marks, 45.5 percent scored from 7 to 11.5 marks and 19.3 percent scored from 0 to 6.5 marks. The analysis shows that the candidates' performance in this question was good. Figure 1 shows the percentage of the candidates' performance in question 1.

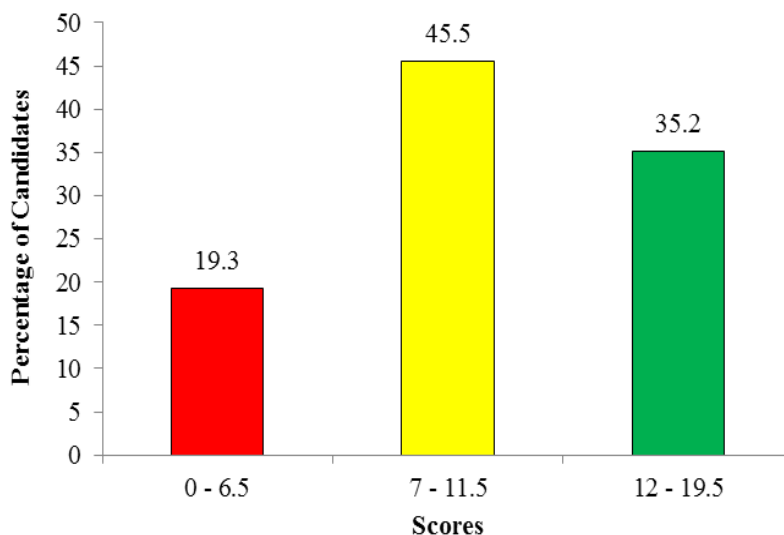


Figure 1: The Candidates' Performance

The candidates whose scores ranged from 12 to 19.5 marks were able to describe most of the terms given in part (a), with relatively correct descriptions. However, some of these candidates interchanged the descriptions for re-insurance with that of double insurance or the double insurance and co-insurance. Co-insurance occurred when the risk of loss is spread among other insurance companies due to high value of the property insured, while in double insurance, a single property is insured in more than one insurance company but in case of a loss the insured will be

compensated with the value insured. Further analysis shows that the majority of the candidates were able to elaborate the differences between life insurance and property insurance. For example, compensation in life insurance must be in form of cash to support the beneficiaries, but in property insurance compensations may be made in other forms not necessarily in cash. Life insurance policy can be used as a security for loan, while the policy for property cannot be used as a loan security. The certainty of risks is also observed in life insurance, while in property insurance the risks are uncertain. This demonstrated the knowledge and skill they had on the topic of insurance. The candidates' marks varied according to their ability to describe the term and the correct number of points elaborated on the differences between life insurance and property insurance. Extract 1.1 is a sample of responses from a candidate who scored high marks.

Extract 1.1

1 (a)	(i) Re - Insurance	
	This is where the insurance company decide to re-insure in another insurance company. And this is normally done when the insurance company undertakes to insure the risk which involves a large amount of money in which it makes the insurance company to re-insure in another ^{big} insurance company. And that ^{insurance} company will be known as re-insurer. Re-insurance has the following advantages first, it helps the insurer to undertake or to indemnify more at risks, second, it helps the insurer to take or indemnify risks involves a large amount of money, third, it helps the insurer to distribute the risk among the insurance compand and fourth, it stabilize income and profit over a period of time	
	(ii) Co - Insurance	
	This is where insured de decide to insure his or her property in more than one insurance company. And in this case the insurance company will compensate in case of loss by dividcing the amount of the loss to all insurance company even if the insured paid exactly amount of the property in both insurance company as the principle of indemnity state that the aim of insurance company is not to benefit the insured, the aim is to retain him or her in the his financial position	

1(a)(iii) Double Insurance

This is when a person insures his or her property in different insurance company. In case the insured suffers the loss both insurance company will compensate by dividing the amount of loss. And the insured can not be compensated exactly amount of the loss by both insurance company as the principle of indemnity states that the aim of insurance company is not to benefit someone is to retain to his or her first financial position.

(iv) Over - Insurance

This is when the insured over declare the value of property at the time of taking out insurance policy. In this case the insured will pay high premium and also in case of loss, he will be compensated only the amount of property insured against so in insurance there is no need of over and under insure as it can not help an insured person.

(v) Sum insured

Is the value of property that is being insured against. In this case the insured is supposed to disclose all information of the property insured as sum insured used to calculate the premium to be paid to the insurance company.

1 (b)	<p>Life Insurance, is the policy under which the insurer in consideration of premium paid in lump sum, yearly, half yearly, quarterly undertake to pay the insured whose life is insured against at the time of the death or at a specific period of time. Property insurance, is the policy taken to cover the loss of the properties like marine pol insurance policy, fire insurance policy.</p> <p>The following are the differences between life insurance and property insurance:-</p> <p>Life insurance, It takes long period of time while property insurance, It covers a short period of time normally one year.</p> <p>Life insurance can be taken both for protection and investment while Property insurance can be taken only for protection</p> <p>In Life insurance only two principles are applied that is utmost good faith and insurance interest while in property insurance, all insurance principles are applied.</p> <p>In Life insurance, there is surrender value that is the amount paid by the insurer to the insured when he or she decide to discharge the policy While In property insurance, there is no surrender value</p> <p>In Life insurance, The event must happen that is a person will have to die or will attain a certain age while in property insurance, The event may happen or not example fire</p>
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Extract 1.1 shows the sample of a good response from a candidate who was able to describe the terminologies given and differentiated life insurance from property insurance.

On the other hand, 45.5 percent of the candidates had an average performance as their scores ranged from 7 to 11.5 marks. The majority of these candidates in this category were able to elaborate the differences between life insurance and property insurance in part (b), though some of the points had unsatisfactory elaborations. Moreover, the observation made on some of these candidates' responses in part (a) revealed that the candidates were able to describe a few terms correctly and also confused

some of the terms, especially re-insurance, double insurance and sum insured. For example, some candidates described the sum insured as *total amount paid to a common pool by different insured by means of premium* instead of the value of the property that is insured as stated by the owner, which will be used to determine the premium. This justifies their incompetence on various terminologies used in insurance.

The responses from the candidates who scored low marks (from 0 to 6.5) had several weaknesses which resulted from inadequate knowledge and skills of the subject matter. For example, some were able to describe only one term correctly out of the given five in part (a), with a few correct differences between life insurance and property insurance in part (b). Other candidates attempted only one part of the question. The majority of the candidates who scored some marks in part (b), wrote responses on the distinctions like medical examination which is used in life insurance but not applied in property insurance; certainty of risks are in life insurance and uncertainty of risks are in property insurance. A few candidates (1.1%) scored a 0 mark as they failed to differentiate life insurance from property insurance and also failed to describe correctly any of the terms. Most of them described the terminologies incorrectly and others left some terms or the whole part unanswered. For example, one of the candidates incorrectly described the terms like double insurance as *to take insurance on both sides life and property insurance* and sum insured as *the total amount collected in the poll as premium from different insured*. The example, demonstrated the misconception on the terms. Others confused the given terms with the principles of insurance, therefore their descriptions based on the principles instead of the meaning of the terms. Extract 1.2 shows a sample of poor responses.

Extract 1.2

1a) (i) Re-insurance → This refers to the insured repeat to insure.

(ii) Co-insurance

(iii) Double insurance - refers to the one insured has two insurance in one insure.

(iv) Over-insurance - refers to the ~~insured~~ insured be compensated more than the payment that already pay.

(v) Sum insured → This refers to the total amount of money that insured pay to the common pool.

1b	Differences the between life insurance and property insurance.	
	Insurance is the system of pooling risk together in the common pool for compensating the actual loss.	
	There are different between life insurance and property insurance. The following are some of those differences:-	
	Life insurance This deal with the life of insured for example illness and so on but for while property insurance This deal with properties like building, cars and so on.	
	Life insurance has only one common pool while property insurance have many common pool for example fire insurer, travel and so on.	
	In life insurance if the insured dead also his/her insurance will be over no one can continue to use it while no one in property insurance will be continued.	

Extract 1.2 shows the candidate's response which portrayed incorrect interpretations of the terms in part (a). The candidate had an idea of life insurance and property insurance but failed to present the points correctly due inadequate knowledge.

2.1.2 Question 2: Wholesale Trade

The question had parts (a) and (b). In part (a), the candidates were required to classify wholesalers according their method of operations, while in part (b) they were required to define the term channel of distribution and elaborate four steps involved in distributing the goods from the manufacturer to the consumers.

It was attempted by 1,318 (86%) candidates, of which 47.7 percent scored from 12 to 20 marks, 40 percent scored from 7 to 11.5 marks and 12.3 percent scored from 0 to 6.5 marks, out of the 20 allocated marks. The candidates' performance in this question was good as 87.9% scored 7 marks or above (35 to 100 percentage) of the marks allocated. Figure 2 shows the percentage of the candidates' performance in question 2.

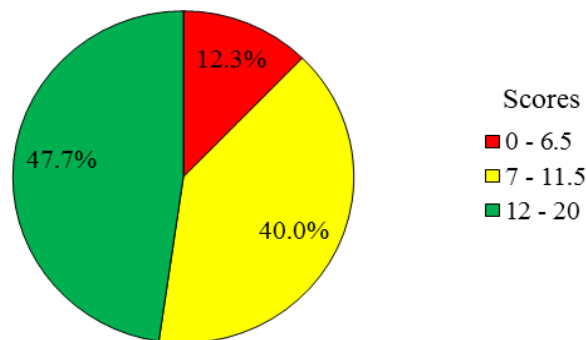


Figure 2: The Candidates' Performance in Question 2

The analysis shows that the candidates who scored high marks adhered to the demands of the question. They had sufficient knowledge and skills of the subject matter examined and they were able to classify wholesalers according to their method of operation. These candidates were aware of all the other types of wholesalers according to the range of products handled and the geographical area and therefore centered their responses on classification according to their method of operation in part (a). The correct responses include truck/mobile wholesalers, cash and carry wholesalers, rack jobbers and desk jobber wholesalers. Besides, some of the candidates' points had some discrepancies such as inadequate explanations on some points mentioned.

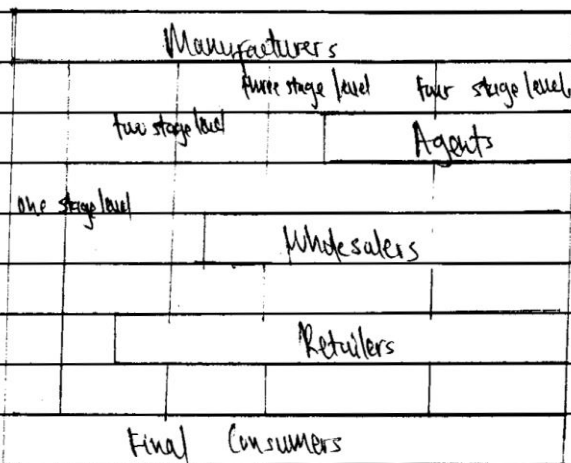
In part (b), most of the candidates were able to define the channel of distribution and elaborate most of the stages involved in the distribution of goods from the manufacturer to the final consumers. Other candidates used a diagram to support their responses in this part. Extract 2.1 is a sample of a response from a candidate who scored high marks.

Extract 2.1

2b)	<p>Channel of distribution refers to the ways or path by which the goods market moved from the point of production to the point of consumption. Channel of distribution is also known as Marketing channel or Trade channel. In the channel of distribution, there are members who facilitate the movement of goods. It includes Manufacturers, Agents, Wholesalers, Retailers and the Consumers.</p> <p>The following are the necessary stages involved in the distribution of goods and services from the manufacturer to the consumers:-</p> <p>One stage channel, this is the stage of distribution of goods in which the Manufacturers supply the goods directly to the consumers. In this stage, the Manufacturers do not use the services of Middlemen such as Wholesalers and Retailers. In this stage, the goods which are sold by the Manufacturer to the consumers are highly perishable and they are very expensive.</p> <p>Two stage level, is the stage of distribution of goods in which the Manufacturers supply the goods to large scale retailers who are then sold them to the final consumers. The goods which are dealt in this stage are lowly perishable. Therefore, Agents and Wholesalers are not involved in this stage.</p> <p>Three stage level, is the stage of distribution of goods in which the manufacturers supply the goods to the wholesalers who are then supply to the retailers and lastly to the final consumers. In this stage, Agents are not involved in the distribution of the goods.</p> <p>Four stage level, refers to the final stage of distribution of goods in which the Manufacturers supply goods to the Agents, and then Agents supply to the whole-</p>	
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2b) sales, who then supply to the retailers and lastly to the ~~final~~ final consumers. Goods dealt in this stage are consumed by the millions of ~~the~~ people and the ~~y~~ are durable in nature.

Consider the channel of distribution below



Generally, the diagram above, show the stages of distribution of goods from the Manufacturers to the final consumers.

2a) Wholesalers are the traders which buy the goods in large quantities from the Manufacturers and sell them in relatively affordable quantities to other traders that means retailers. Wholesaler take the risks of marketing they stabilize ^{price} they transport goods from Manufacturers' premises to his premises or from his premises to the retailers. And also they provide storage facilities for the goods purchased by them. The process of buying goods in large quantities from Manufacturers and sold them to other

2a)	traders is called a wholesale trade.	
	The following are the types of Wholesalers according to their Methods of operation:	
	Truck Wholesalers, are the wholesalers which use their vehicle to transport the goods to the retailers premises. They distribute goods to the different areas that the retailers are found. For example Top Loaf Company in Tanga transport their goods to various number of retailers by using their own vans or vehicle.	
	Cash and Carry Wholesalers, Are the wholesalers that require the retailers to come to their premises and to pick the type of goods they want and carry their own purchases. The retailers incur the cost of transporting the goods from Wholesaler's premises to his premises.	
	Drop Shippers Wholesalers, Are the wholesalers that avoid the handling and storage charges by transferring the order of goods directly from the Manufacturers to the final consumers. Drop Shippers do not have warehouse because they do not store the goods that deal in.	
	Blanket jobbers Wholesalers, Are the wholesalers which sell specific type of goods to a specific retailer. They offer the services to only one type of retailers. Mostly of the Blanket Jobbers wholesalers deals with one type of product.	
	Generally, Apart from those types of Wholesalers according to the method of operation also there are specific Wholesalers, General Wholesales, Regional Wholesalers and National wide Wholesalers. Wholesalers help to provide links between the Manufacturers and retailers.	

Extract 2.1 is the sample of a response of one of the candidates who was able to analyse the types of wholesalers according to their methods of operation, defined channels of distribution and elaborated stages involved in distribution of goods from the manufacturer to the final consumers.

The majority of the candidates whose performance was average (from 7 to 11.5 marks) were able to mention some of the types of wholesalers as required in part (a) but provided inappropriate explanations. Most of these candidates were able to define the channel of distribution, but failed to elaborate some of the stages in their order. Further observations show that, a few candidates did not attempt part (a) of the question due to inadequate knowledge and skills on the types of wholesalers, but were able to elaborate correctly the stages in part (b).

Moreover, the analysis revealed that the candidates who scored low marks (from 0 to 6.5) obtained some marks from the meaning of channel of distribution and on the stages involved in distributing goods from the manufacturer to the final consumers. Most of them were able to elaborate the stage which involved the manufacturer and the final consumers, where middlemen are not involved. Others elaborated only the stage where all the members are involved such as manufacturer → wholesaler → large scale retailer → retailer → final consumers. Additionally, there were some candidates who were able to define the channel of distribution but failed to answer correctly the rest of the parts due to misconception of the question. However, two candidates who scored a 0 mark misinterpreted the question because one explained the services that facilitate trade to take place in part (a) and the branches of trade in part (b) and another elaborated other types of wholesalers according to their geographical area in part (a) and the functions of wholesalers in part (b), as shown in Extract 2.2.

Extract 2.2

2a	wholesaler are the persons who engaged in buying directly from producer and sell to the smaller quantities like retailer and consumer. The following are type of wholesaler.	
	According to their location there are two type which are national wide and regional.	
	Nationwide wholesaler; This are wholesaler who have warehouse in all region in the country to serve all region. National wide wholesaler have efficient transport and communication to serve all region in the country. Example Markdon Spares limited who supply motorcycle spares in all region in the country.	
	Regional wholesaler; This are wholesaler who are serve a particular region. This type of wholesaler arrange to provide transportation facilities to distribute goods in a particular region in a country. Example they receive stock direct from the producer and distribute direct to retailer and large scale consumer.	
	According to their function of service offered are General wholesaler and Specialised.	
	General wholesaler; Are type of wholesaler who are deal with varieties of goods. Exam	

2a	<p>ple wholesaler can deal with varieties of goods and services example agriculture product, spare parts foods, sport equipment and electrical equipment. This type of wholesaler need huge capital to start and operate efficiently.</p> <p>Specialised wholesaler; This are wholesaler who are specialised only on a certain type of commodity or services. Example This wholesaler can specialise in stationery equipment, health equipment, computer accessories.</p>	
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2b	<p>channel of distribution refer to the route or path which goods must be moved from the production to consumer.</p> <p>The following are the necessary stage involved in the distribution of goods from the manufacturer to consumer.</p> <p>Branding and Packaging; If the goods were not packed or branded by the manufacturer may be prepared for sale by packing them and assign name on the goods. Example the wholesaler may pack the goods in a standard packet for easily hoarding and distribution.</p> <p>Transporting of the goods; This is another stage where the goods are being transported</p>	
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In Extract 2.2, the candidate analysed the types of wholesalers according to their geographical location, their functions and the services they offered instead of their methods of operation. Also, the candidate elaborated some of the wholesaler's functions instead of the stages involved in the distribution of goods from manufacturers to the final consumers.

2.1.3 Question 3: Warehousing

The question required the candidates to examine the six important factors to be considered while planning for storage facilities. This question was opted for by 66.4 percent of all the candidates and their performance was good, as 32.4 percent scored from 12 to 19 marks, 55.9 percent scored from 7 to 11.5 marks and 11.7 percent scored from 0 to 6.5 marks. This performance is summarised in Figure 3.

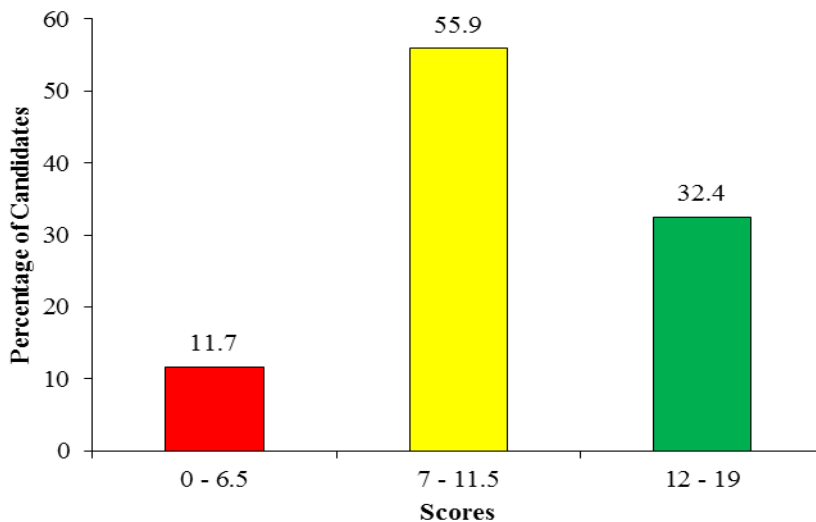


Figure 3: The Percentage of Candidates' Performance

The candidates who performed well had adequate knowledge and skills of the subject matter examined. Their responses showed their understanding on the factors to be considered while planning for storage facilities. Some of these candidates were able to exhaust all the factors required with appropriate explanations. The correct factors examined by the candidates include: destination of the goods, receiving and off-loading bay, availability of amenities, the level of rates and payments required for the facilities and size of the warehouse. There were a few discrepancies noted on some of the points like partial explanations. The variation of the candidates' scores depended on the extent to which they explained correctly the points and the number of the correct points examined. Extract 3.1 shows a sample of the response from a candidate who scored high marks.

Extract 3.1

3.

Storage is the situation of keeping goods or products in the warehouses after being produced to the time when they are demanded by consumer. Storage facilities ensure the availability of goods or products throughout the year. Products which are produced are stored in warehouses or in stores before reaching them in the market where they are demanded. The following are the important factors to be considered while planning for storage facilities.

Cost of the storage, the producers or traders before storing the goods ~~be~~ they must look on the cost of the storage facilities in their planning depending on their capital they have. It is important to consider the cost of the storage and the available capital or fund ~~at~~ in the plan, this is because to build or to rent the building for storage ~~for~~ need some amount of money. So the cost of the storage and available fund must be considered while planning for storage facilities.

Kind of the products, some products need special storage or warehouses in keeping or storing them. For example, perishable goods and fragile goods they must be stored in their special warehouses so that to ensure the safety of them and make them to stay longer. So in planning for storage facilities kind and nature of the products must be considered.

Availability of securities in planning for storage facilities the availability of securities must be considered. For example fire extinguisher and security guards must be existed in the stores so that to ensure the safety of the products when the accident happen like fire and ~~etc~~ which can be controlled by fire extinguisher also security guards for controlling theft and other climatic changes.

Availability of infrastructures in an area, the availability of infrastructures like roads and communications which ensure the easy transfer and distribution of goods and information from the storage area to the market also from the production area to the storage area must be considered. So the ~~the~~ planning for

3	storage facilities must be allocated in the area where there is good and better infrastructures so that to ensure easy transfer of goods and services from one place to another.	
	Availability of power there must be considered for the availability of power like water and electricity in an area which is planned for storage facilities.	
	Availability of raw materials, a planning for storage facilities must consider the availability of raw materials in which the area for production must be not far to the area of storage.	
	Therefore, these are the factors to be considered while planning for storage facilities. So producer, wholesaler and retailer who take the risk of storing goods and services must look and consider on these factors.	

Extract 3.1 presents a sample of a relatively good response by a candidate who was able to examine the important factors to consider while planning for storage facilities.

Most of the candidates (55.9%) with an average performance had partial knowledge of storage facilities. They were able to examine correctly less number of factors than those required. For example, availability of power, availability of transport facilities, nature and types of goods expected to be stored. Some of the candidates were able to outline all the correct points but failed to give correct explanations to some factors.

The candidates whose scores ranged from 0 to 6.5 marks were unable to examine most of the required factors. They managed to list some factors with incorrect explanations and were also able to provide correct presentations of the introduction on their responses. The candidates who scored a 0 mark in this category explained the advantages of warehousing, or the factors necessary for location of warehouses, which were contrary to the demands of the question. Extract 3.2 illustrates a sample of a candidate's poor response.

Extract 3.2

3.	<p>storage; Is the process of keep goods in ware house for specific time or for future uses such as seasonal goods perishable goods which are keep in cold place such as fruit, eggs.</p> <p>The following are the important factors to be considered while planning for storage facilities.</p> <p>Receiving of goods; When goods are presented to the storekeeper must be receiving the goods by stock-keeper.</p> <p>If goods are seasonally; When goods storage must know the type of goods if it is seasonally or not seasonally and if it is not seasonally there is no need to store goods, ^{such as} agricultural.</p> <p>If goods are perishable; Must know the type of goods if it is perishable which place is suitable for perishable and if it is not which place for keep these goods. examples perishable goods are kept in cold place such fruit, eggs.</p> <p>Price fluctuation; Must take the change of price if goods price are high or lower for the aim of know the profit or loss of goods.</p> <p>Cost of the goods; The owner of goods must know the cost of the goods such as the price of buying raw material, the price of production process and the tax custom duty which help producer to make decision on which price for selling goods.</p>	
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In Extract 3.2, the candidate misinterpreted the question as he/she mixed up some of the points which relate to the importance and the functions of warehousing, like price fluctuation instead of the factors to consider before planning for storage facilities.

2.1.4 Question 4: Stock Exchange

In part (a) the candidates were required to describe three types of Jobbers found in stock exchange, while in part (b), they were required to define the term security as used in stock exchange, and to outline five common securities traded in the stock exchange market.

The question was opted for by 44.6 percent of the candidates of which, 30.7 percent scored from 16 to 19 marks, 53.8 percent scored from 7 to 11.5 marks, and 15.5 percent scored from 0 to 6.5 marks out of the 20 marks allocated. Generally, the performance of the candidates in this question was good as seen in Figure 4.

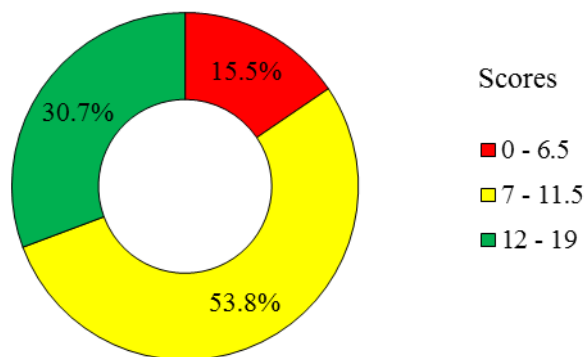


Figure 4: The Percentage of the Candidates' Performance

The candidates (30.7%) who scored high marks (from 12 to 19 marks) were able to answer the question with relatively correct responses. They were able to describe the types of jobbers found in stock exchange in part (a), defined the term security, as used in stock exchange and outlined the adequate number of common securities traded in stock exchange market, as required in part (b). The differences noted on their scores depends on the strength of explanations given against securities listed and the descriptions of the types of jobbers found in stock exchange. Extract 4.1 is a sample of a candidate who scored high marks.

Extract 4.1

4.	a) i/ Bulls, these are stock exchange jobbers who buys shares in brge quantity when they are at small price hoping that soon the price of those shares will rise and they will sell them on profit.	
	ii/ Bears, are jobbers who sell shares when the price rises hoping that soon the price of shares will fall and they could be able to buy them in larger quantity.	
	iii/ Staggs, these are jobbers dealing on new issued shares of the new companies, they buy those fresh issued shares in hope that the demand for those shares will increase and they will be sold on profit.	

4.	b)	Security is a valuable document which entitles the holder a right to receive interests or dividend on maturity dates. Securities are bought and sold in the market called stock exchange.
		The following are the common securities traded in a stock exchange Market;
		<ul style="list-style-type: none"> • Gilt edged securities, these are securities offered by the central government to be sold in the stock exchange market. Therefore the owner of the gilt edged securities is the central government. Also are the most safety securities in terms of dividends and interest payments. • Shares, means a unit of capital; are also securities which are offered by joint stock companies to be bought by the public. Shares are grouped into preference and ordinary shares basing on the rates of interests. • Debenture, means a unit of loan. Is also kind of security offered to the public by joint stock companies, where by those who buys debenture becomes the creditors to the company. Debentures are classified into naked, redeemable, irredeemable, convertible and registered debentures. • Stocks, refers to a unit of bond, these kinds of securities are offered by the local government authorities as to provide saving to the public and for the income of a particular locality. An example of stocks securities are the Loan stocks. • Blue chips, these are the shares of a company which has been doing good in records of making payments of interests and dividends of its shareholders. These kinds of securities (Blue chips) are regarded as shares of companies with a good reputation so are considered as expensive shares.

Extract 4.1 indicates a sample of a good response from a candidate who described the types of jobbers found in stock exchange, defined the term security as used in stock exchange and outlined the common securities traded in stock exchange market.

The majority (53.7%) of the candidates who had average performance were affected by insufficient number of correct points as required in both parts (a) and (b). The problem which most of these candidates faced was interchanging of the descriptions of the types of stock jobbers, and on the common securities traded in stock exchange market. For example, the candidates mentioned the types correctly as bulls, bears and stags but they interchanged the descriptions of bulls with that of stags or bears. The candidates also confused some of the common securities traded in stock exchange market. This shows that some of these candidates did not understand the meaning of those stock jobbers and common securities or they confused the terms. Most of these candidates defined correctly the term security.

The candidates who scored low marks (scored from 0 to 6.5 marks) lacked knowledge of stock exchange. Some of these candidates did not understand the requirement of the question, in part (a) because they described the types of agents involved in buying and selling of goods such as brokers, factors, commission agents, del-credere agents and auctioneers instead of the types of stock jobbers in stock exchange. Likewise, some of them listed the terminologies used in stock exchange market like market value of shares, par value of shares, Ex-div and Cum div. However, most of the candidates in this category were able to define the term security and listed a few common securities traded in the stock exchange market. Others were able to mention the types of stock jobbers in part (a) with incorrect explanations. Further analysis shows that some candidates failed to differentiate the types of jobbers and common securities traded in a stock exchange market because they described the common securities as types of jobber and vice versa. Only 0.1 percent of the candidates scored 0 marks. Extract 4.2 shows the sample of a poor response from a candidate who did not know the demands of the question.

Extract 4.2

	Stock jobbers are the workers who work in	
4 (a)	the stocks exchang and perform different activities with	
	the aim of aining their living through salary.	
	There are three types of stock jobbers that are found	
	in the stock exchange in which they include the	
	following:	
	CASH and CARRY stock jobbers. This are	
	the jobbers who are paid in cash to carry the goods	
	to and from the stock as the goods arrive and when	
	the goods are to be departed from the store of stock	
	exchange. Example the cargo carriers who are paid per	
	amount of carried cargo in cash and on spot.	
	Apart from that BACK stock jobbers is	
	another type of stock jobbers who work in stock exchange	
	who carry the goods from the stock to and to the	
	stock by using their back bone body as a means	
	of carriage and are paid by referring the amount	
	of work that is attempted.	
	Also the TRUCK stock jobbers is another	
	and last type of stock jobbers but this are advanced	
	and used to transport large cargo from and to	
	the stock in a larger distance. They own trucks that	
	are parked near the stock exchange market in	
	order to carry goods to and from the stock and they are	
	paid after the goods are delivered to the destination	
	area.	

Extract 4.2 presents a sample of a poor response of a candidate who confused stock exchange with the stock of goods. The candidate mentioned some of the types of wholesalers in accordance with their methods of operation and left part (b) unanswered.

2.1.5 Question 5: Production

The question had two parts; (a) and (b). In part (a) candidates were required to analyze four basic agents of production and in part (b), they were required to explain five advantages of large scale production.

The question was opted for by 63.5 percent of the candidates and their performance was good as 33.2 percent scored from 12 to 19 marks, 54.4 percent scored from 7 to 11.5 marks and 12.4 percent scored from 0 to 6.5 marks. Figure 5 shows a summary of the percentage of the candidates' performance in this question.

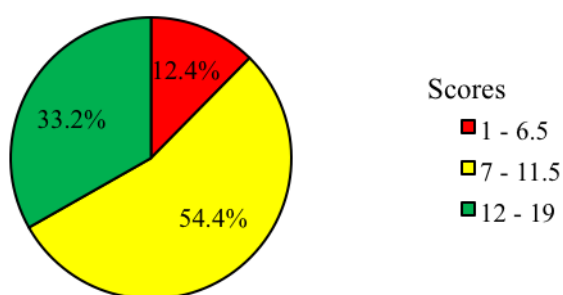


Figure 5: The Percentage of the Candidates' Performance

The candidates who performed well (33.2%) showed better understanding of the question and had adequate knowledge and skills of the production topic. They analysed the basic factors of production, namely land, labour, capital and entrepreneurship. They were also able to explain the advantages of a large scale production. The reason for the good performance could be the fact that the topic taught in both Commerce and Economics subjects is also taught in Commerce at Ordinary level, thus the candidates might have exhausted its contents. The differences observed from the candidates' scores depended on the number of points highlighted and the accuracy of the explanations given by a candidate on each point. Extract 5.1 portrays a sample of a good response.

Extract 5.1

5	(a) Agents of production refers to inputs used in production of output in the production process. Basic agents of production are as follows; Land; refers to natural resources found either in or on earth surface used in the production of goods and services. These include, water bodies, air, minerals, forest, soil, rocks and others used in the production of goods and services. Featured with, Land is permanent, differs in fertility, occupation mobile but geographical immobile and gift of nature. Labour, refers to physical and mental effort of human being used in the production of goods and services. Include skilled labour, unskilled labour and Semi-skilled labour. Characterised by weak bargaining power, labour can not be stored, labour can not be separated from labourer, the active factor of production, Supply of labour is inelastic in short run and others Capital refers to man made resources used in the production process. Include machines, fund and others. It is featured by, Capital increase efficiency of other factors, It is not perishable; It is a product of human effort; Capital it is passive factor like land, Capital is a function of profit as increases with increase in profit. Also requires other factors to bring efficiency.	
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5	(a)	Entrepreneurship refers to organization of all other factors to bring about accomplishment of production of goods and services. It includes financing the business; bear risk; decide on the channel of distribution; pay labour and other factor their rewards, involve also decision to employ and unemploy the employees in the production process. The person doing all the above activities is called an entrepreneur.
5	(b)	Large scale production refers to the production require large capital and produce in abundant goods and services.
		Advantages of large scale production are follows;
		Enjoy discount from manufacturer, they usually buy in bulk quantities hence obtain discount from manufacturer hence even prices to sell becomes lower compared to small scale. Large capital is contributed and buying, assemble large quantity at a discount price unlike small scale producers.
		Low cost per unit of output, large output is produced by large scale producers hence the cost per output lowers hence maximise profit of the business. Cost of production is distributed to large quantity of output hence cost minimization and profit maximization hence high profits.
		Easily financed by financial institutions; the large scale producers are obtain capital in form of loans from banks and other financial institutions as they are well

5	(b) trusted compared to small scale. Usually large scale	
5	have collateral securities to ask for loans from banks hence	
	eases the formation and addition of capital available	
	in the business for continuous production of goods and services	
	Encourage specialization and division of labour,	
	in large scale production involve large number of workers	
	and processes. Hence work is divided and several number	
	of specialized labour are employed to conduct at the end	
	quality product are produced. Large output can be created	
	and efficiency.	
	Expand market for goods, through conducting	
	intensive advertising and sale promotion over wide	
	number of potential consumers and create demand for	
	their product. They conduct research to obtain market	
	and constant remind consumers on the product hence increase	
	sales as well as profit.	

Extract 5.1 shows the sample of a good response. The candidate was able to analyse the four basic agents of production and explain the advantages of large-scale production.

The candidates with average performance were able to answer all the parts of the question but failed to provide the required number of points as per question's demand. Nevertheless, some of them failed to give relevant explanations to some of their points.

The candidates with low scores (from 0 to 6.5 marks), were able to analyse a few correct basic agents with correct explanations in part (a). They highlighted at least two advantages out of the required five, with partial explanations. Other candidates responded only on part (a). Some candidates in this group confused the agents of production with the agents involved in the buying and selling of goods. They failed to understand the word *agent* as used in production. Some of them listed the importance of

production in part (a) and explained the advantage of wholesalers instead of the advantages of large-scale production in part (b). For example, one of the candidates who scored a 0 mark explained the participants/members involved in the distribution channel like manufacturers, wholesalers, retailers and final consumers as the agents of production. He/she also explained the advantages of a large scale retailer instead of the advantages of large-scale production. This shows that such candidates lacked knowledge of production. Extract 5.2 is a sample of a poor response.

Extract 5.2

So	Agents of productions this are people who works on the behalf of their princip les they dont own goods on themselves. The following are basic agents for pro duction. Commission Agents: This is an agent who sells goods on behalf of the principle at the best possible price. He doesnot possess the goods he sells and paid a commission as his or her remuneration. Broker: Is an agent who bridge the gap between sellers and buyers. His work is to provide a link between seller and their buyer by bringing them together. Their paid brokerage charges as their reward. Del-credere Agents: Is an agent who sells goods on behalf of the principle and declared to bear the risk of loss or bad debts occurs he will be responsible. He is paid a del-credere commission as his or her reward. Auctioneer: Is an agent who sells goods on behalf of the principle to the public by beginning system that start from lowest price to the highest price and a buyer that quoted higher price than others he/she offers the goods. He conducted on public places or auctions and he paid a commission.	
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Extract 5.2 is the sample of an incorrect response of a candidate who wrote on the agents involved in buying and selling of goods and services instead of the agents of production.

2.1.6 Question 6: Advertising

The question required the candidates to examine the importance of advertising to both producers and consumers. It was opted for by 36.2 percent of the candidates of which, 75.9 percent scored from 12 to 20 marks, 22.5 scored from 7 to 11.5 marks and only 1.6 percent scored from 1 to 6.5 out of the 20 marks allocated to this question. The data is summarised in Figure 6.

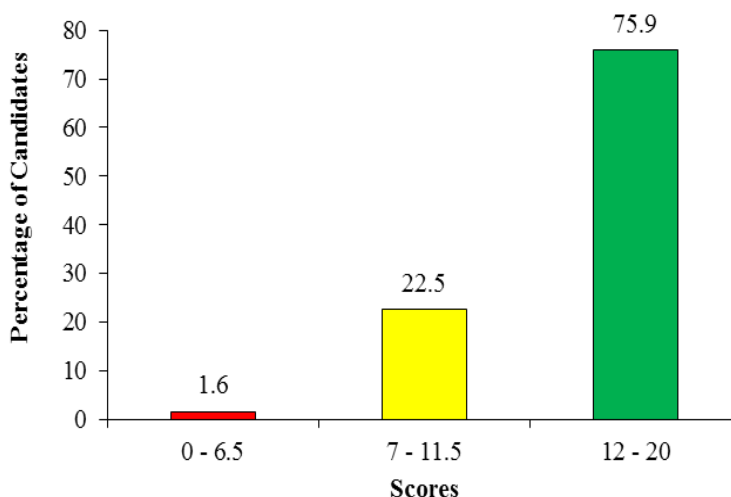


Figure 6: The Percentage of the Candidates' Performance

Most of the candidates who performed well (75.9%) demonstrated their ability in mastering the subject matter by giving the responses which met the demands of the question. These candidates were able to explain the importance of advertising to both producers and consumers though some points from their responses were not well explained. The good performance in this question could probably be attributed to the fact that most of the candidates are exposed to many advertising media, therefore they can easily memorize the importance of advertising to both producer and consumers. For instance most of the customers get exposed to a variety of goods and services, hence they are induced to buy more goods. Producers remind the public about the existence of the products and advertisement makes the creation of goodwill to the producers. The responses given by each candidate determined the respective scores. Extract 6.1 presents a sample of the candidates' good response.

Extract 6.1

6.	Advertising, this is an aid to trade of making-	
	a business to be known to the general public-	
	advertising can be done by the advertising agencies.	
	advertising creates awareness to the public.	
	The following are the nine points on the importance of advertising to both producer and consumer, to the producers,	
	Advertising, bridges the gap between the producers and consumers, this is because through advertising the producers are able to know, the need of consumers, the type of good required by consumers, also advertising help producers to - communicate with consumers, and provide education to consumers on the use of their products,	

6.	through bridging the gap between producer and consumers, facilitates easy communication between, the producers and consumers.	
	It help the producers to introduce new products in the market, the advertising help the producers to introduce their new products to the consumers, this is because advertising involve persuading and informative, this help producers to provide information on their new products to the market, this is helpful to producers.	
	It help the producers to create goodwill and good Image of business, through selling goods to consumers at affordable prices and quantities, this create goodwill, advertising is full of competition, so the producers try to compete each other, by selling quality of products to consumers, this create goodwill and good Image to their products.	
	It increases volume of sales and profits, the advertising make goods and services to be known to the consumers, through advertising different consumers are aware on the availability of the products, so this will increase more customers, who increases volume of sales and finally, profits to the business, increases at large.	
	Also, to the consumers advertisement have the following Importances :	
	It help the consumers to obtain better and quality of products, this is because advertisement is full of competitions, so through competitions of different producers who compete for the market, these producers tries to produce high quality of better products, because of competitions,	

6	the competition among producers, is an advantageous, to the consumers, to obtain the better and quality of products in the market.	
	It increase awareness to consumers on the availability of different products, this is because advertising inform the customers on availability of different products, this information creates awareness to the customers on the availability of the-products from different producers, this help consumers to obtain different kinds of goods in the market.	
	It creates employment opportunities, through advertising different people are employed, for example, in the advertising, there are advertising agents who must be employed, this make some of people to be employed as advertising agencies, through this creates employment opportunities,	
	It widens choice to consumers, through advertising consumers have wide choice to the products, this is because different producers advertise different products; and this creates choice to the consumers, to choose which products to purchase, in the market, producers compete by advertising different products, this widens consumers choices.	
	Consumers obtain commodity at reduced prices, through advertising prices of different commodity, likely to be reduced, this is because of the advertisement which creates competition in the-market, so different producers tend to reduce the prices of their products so as to compete in the market, so the consumers choose the-	

6.	commodities which are sold at reduced prices in	
	the market.	
	lastly, those where the Importance of advertising	
	to both producers and consumers, the advertisement	
	process also have some disadvantages such as	
	it is costly, It may cause false advertising to consumers,	
	It may lead to increased prices so as to cover	
	the expenses.	

In Extract 6.1 the candidate was able to give the advantages of advertising to both producers and consumers.

Furthermore, 22.5 percent of all the candidates who opted for this question had average performance. Many of them were able to give some importance of advertising to both producers and consumers but failed to exhaust the required number of points. Besides that other candidates provided the required number of points but most of them contained unsatisfactory explanations.

The candidates with low performance (1.6%) in this question had insufficient knowledge and skills of advertising. The responses from the majority of these candidates showed that they understood the requirements of the question but failed to give sufficient number of points. Others mixed incorrect points with a few correct responses. However, some candidates wrote on the disadvantages instead of the importance of advertising. In addition, few candidates scored low marks because they wrote the introduction part as expected and at least one correct point out of the required nine. Their responses demonstrated poor understanding of the topic of advertising. Poor English language proficiency was another problem which was observed in most of these candidates. Extract 6.2 is a sample of a response from a candidate with low marks in this question.

Extract 6.2

Q: The following is advantage of Advertising.

It provide Market research, This is the advantage of advertising because they provide market research because they must be to provide market reach to the advertising product.

It provide employment; This is the advantage of advertising because they provide employment to the advertising the quality of good to the consumer to the manufacture to the customer.

It help to influence customer; Because this is the advantage of advertising because they influence the customer to the business because they advertising the good to the manufacture to the probably consumer.

It help to encourage monopoly; This is advantage of advertising because this is to must be encourage monopoly because they must be to conduct good to monopoly to the business and encourage monopoly to the manufacture.

Its costly; This is the advantage of advertising because its costly to the business they must be to conduct the good to the manufacture because the business must be to encourage cost to advertising goods to the manufacture.

Q	It's wasteful; Because this is the advantage of advertising because of wasteful because this is the to advertising the good of customer they produce the quantity to the customer.
	It help to get information; Because this is the advertising the must be to get information to the referent because this is the must be to get good information to the customer to the management.
	It help to produce advertisement; Because this is help to produce advertising to the customer because they must be to produce the quality of good to the business.
	It help Marketing arrangement Medium, Because this is the advantage of advertising because it help marketing arrangement Medium because the advertising must be to make good arrangement advertising.
	It help decision designing advertising material Because this is help designing advertising material because the designing advertising material to the business because this is the important to the advertising good material.
	It help studying product of the advertising; Because this is the advantage of advertising they must be to study product of advertising to the conduct the business to the advertising to the consumer.

Extract 6.2 is a sample of the poor response from a candidate who gave incomplete points like to influence customers instead influencing them to buy the goods/services and helping them to get the information without identifying who should get the information. The responses also mixed with the disadvantages of advertising.

2.1.7 Question 7: Transport and Communication

In this question the candidates were required to examine five benefits and four challenges facing water transport. It was the least opted for question in paper 1 as only 36.2 percent of the candidates did not do it. The general performance was good as 91.2 percent of these candidates passed by scoring from 7 to 19.5 marks. Further, the analysis shows that 36.3 percent of the candidates scored from 12 to 19.5 marks, 54.9 percent scored 7 to 11.5 marks and only 8.8 percent scored from 2.5 to 6.5 marks. Figure 7.1 presents a summary of the performance of the candidates in question 7.

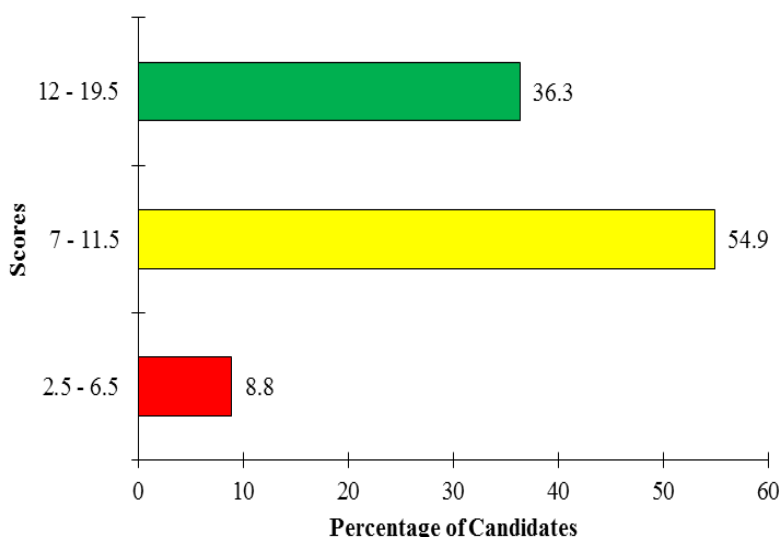


Figure 7: The Percentage of Candidates' Performance

The candidates who performed well in this question (36.3%) were able to score from 12 to 19.5 marks. These candidates had adequate knowledge and they understood the demands of the question. They examined the benefits and the challenges of water transport with a relatively good number of correct points. However, clarity and good flow of ideas on the explanations to the points, the number of correct points examined, proper presentation of introduction and the conclusion part, determined the extent of their scores. Extract 7.1 presents a sample of the response from a candidate who scored high marks.

Extract 7.1

7	<p>Transport refers to the movement of goods, raw materials and people from one place to another. There are three major forms of transport that is Land, water, and air.</p> <p>Water transport refers to the movement of passengers and cargo through water from one place to another, it involves the use of ships and boats. The following are the benefits of water transport.</p> <p>Water transport is the cheapest means of transport for transporting the goods especially from one country to another compared to the air transport. The freight charges on water transport are low, therefore most of traders use water transport in international trade.</p> <p>It carries goods in bulky quantities, also there are some large ships which carry goods in bulky quantities, such as tonnes and tonnes of agricultural products may be carried on ships. Also there are some ships which carry up to thousands of containers. That is to say water transport is suitable for bulky items.</p> <p>In water transport there are special ^{containers} vessels designed to carry some products, such as oil containers, refrigerated containers for carrying perishable goods, this makes the transportation of those goods quite easy. For example there are containers designated to carry only oil products from Arab countries to Tanzania, also there are some ships which are designated to carry many containers.</p>	
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07.	<p>Water transport is suitable for transportation of fragile goods, also the goods which can be broken easily can be transported safely by water transport. example of fragile goods include of glass products like mirrors and Electronic products such as TV, radios and washing machines.</p> <p>Also there are low maintenance costs on water transport, the costs are incurred only on repairing of ships and docks, since there is no need of repairing water ways such as oceans and lakes. May be in case of canals repairs ^{costs} may be incurred.</p> <p>The disadvantages / challenges which face the water transport include of the following:</p> <p>It is slow, water transport is slowest means of transport, as much time is taken to transport goods and cargo especially over the long distances. Also there are delays on delivery of goods in water transport, which result to damage of some of the products on the way. Example there are some ships which take up to 6 months travelling from one place to another.</p> <p>It involves a lot of documentation, also to transport goods through water transport a lot of documentation process must be processed the process is time consuming and tedious, also for some-one to take his cargo from the dock he must under prepare some of the documents. Example of the documents needed in water transport are Bill of lading, freight note, charter party and dock warrant.</p>	
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07.	Water transport is inflexible, that is because it serves on the areas where there is water only, the landlocked countries do not enjoy water transport. Example countries like Zambia, Rwanda and Malawi have got no access to use water transport, since they are landlocked countries.	
	Water transport is subjected to many risks, that is because long time is taken in travelling, so the risks such as storm, collision of ships, loss of cargo through jettisoning and piracy are very common. Also water transport is highly affected by weather conditions.	
	There are four elements of transport that is a way, unit of carriage, terminal and method of propulsion, while the factors affecting the choice of transport means are such as distance, terminal, the means of transport available and the cost of transport. Water transport plays significant role in promotion of international trade, so the government should make sure that it remove all of the barriers facing it so as to support include of opening up new ports along the Indian ocean.	

In Extract 7.1 the candidate was able to examine the benefits and the challenges facing water transport, giving some vivid examples.

On the other hand, the candidates whose performance was average (from 7 to 11.5 marks) had a better understanding of the question as they were able to examine some of the correct benefits of water transport with relatively clear explanations. Such benefits include: promotion of international trade, low maintenance cost, carrying bulk goods, and being cheaper compared to road transport. However, some of these candidates explained the benefits mentioned in a negative way and considered such points as challenges, which were incorrect. For example, explanations like high maintenance cost, expensive to transport the goods and taking a short time

were given by some of these candidates as challenges. Others mixed the correct with incorrect responses because they also wrote about the challenges facing transportation in general in their responses.

The candidates who scored low marks (from 2.5 to 6.5 marks) either pointed out a few benefits or the challenges with inadequate explanations. The candidates had ideas on the subject matter but failed to explain the points due to poor command of English language. There were some candidates who mixed correct with incorrect responses as they failed to differentiate the challenges from the benefits. Some of the candidates' responses had several weaknesses but they were able to write the introductory part as expected. Extract 7.2 is a sample of one of the candidates with low marks.

Extract 7.2

7	<p>Water transport is a mode of transport which involves movement of goods, people and services through water means of transport such as ship, boats. The following are the benefits facing water transport.</p> <p>It does not involve door to door service like in road transport of which is disturbance to some of the people.</p> <p>It has no a fixed schedule, in water transport. It involves the time schedule for each means of transport to be used.</p> <p>No cost are incurred during the way, if the means of transport starting its journey it does not involve incurring of costs during the way until it reach to its final destination.</p> <p>It is suitable when the weather condition is suitable ^{favourable} and there are high waves in the ocean. So as to allow the people using the water means of transport to enjoy the view of the ocean.</p> <p>It is suitable for goods. goods and allow containerization to take place. water transport enables containers to be well handled until to its final destination.</p> <p>Not only does it have ^{has} benefits but also water transport faces some challenges as follows.</p> <p>Poorly modified means of water transport, some of the means of transport are poorly modified such as engines of the ship are of low quality and boats of which they obstruct movement of people and goods and services to reach their destination safely.</p> <p>It is not too expensive for an individual to own his/her own ^{water} means of transport of which could be easy for an</p>
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7	individual to take measures in a short period of time to repair or modify the means of transport than the which are owned by government they take a long period of time for repair of which leads to delay to those who want to travel at that period of time.	
	Unfavourable weather Condition such as rainy high waves tend to destruct the means of transport to take place (water transport) due to may lead to death of people, damage of properties	

Extract 7.2 is the sample of a response from a candidate who confused the benefits and the challenges of water transport and most of the points which he/she mentioned contained inappropriate explanations with grammatical errors.

2.1.8 Question 8: Banking

In this question the candidates were required to evaluate six conditions for a Banker to refuse to pay a cheque.

The question was attempted by 1,024 (66.8%) candidates, out of which 80.8 percent scored from 12 to 20 marks, 17.2 percent scored from 7 to 11.5 marks and only 2 percent scored from 0.5 to 6.5 marks. The data indicates that the candidates' performance in this question was good as 98 percent scored from 7 and above marks (from 35% to 100 percent). This performance is summarised in Figure 8.

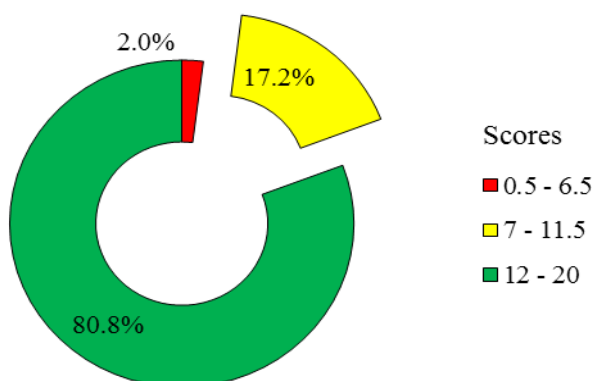


Figure 8: The Percentage of the Candidates' Performance

The candidates who performed well were able to evaluate the conditions for a banker to refuse to pay a cheque. They managed to provide clear explanations on most of the conditions, with examples. Nevertheless, a few candidates in this group confused a stale cheque with a postdated cheque as they reversed the descriptions for two items. The candidates' scores in this group varied because some of them did not exhaust all the points as required and others could provide the necessary details on some of the points. Extract 8.1 represents a sample of a good response.

Extract 8.1

8	<p>A cheque is a document sent to a bank by the drawer ordering the bank to make payment to the mentioned name on the cheque or a payee. There are various conditions for a banker to refuse to pay a cheque. The following are the conditions for a banker to refuse to pay a cheque.</p> <p>If it is a stale cheque, A banker refuse to pay a cheque if the cheque presented to the counter has expire. The cheque lasts for only six months from when it is written. Therefore when six months time passes the banker has a right to refuse to pay because it time has expire. Therefore if the cheque is a stale cheque the banker refuse to pay.</p> <p>If it is Post dated, Under this condition the banker refuse to pay a cheque if it is presented to the bank before the date written on the cheque. A bank refuse to pay a cheque if the date on the cheque shows that the date has not yet reached. Therefore this is another condition in which the banker refuse to pay a cheque.</p> <p>If the drawer is bankrupt, Also the banker refuse to pay a cheque if he finds that the drawer is bankrupt. That if the drawer does not have asset sufficient fund in his bank account. Therefore under this condition the banker refuse to pay</p>	
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8	a cheque because the drawer does not have sufficient balance in his account.	
	If the amount written in words does not correspond with the amount in figures, The banker refuse to pay a cheque if he find out that the amount in word does not correspond with the amount in figure. The shows that the cheque might be forged. Therefore under this condition the banker refuse to pay a cheque.	
	If the drawer instruct the bank not to make payment, Another condition is that if the drawer instruct the bank not to make payment for the cheque then the banker refuse to pay a cheque. This is because the owner of the account has instructed the bank. Hence the banker refuse to pay a cheque.	
	If the signature on the cheque is different from the signature on the copy, A banker refuse to pay a cheque if there are two different signatures. That is if the signature is not the same as that of the drawer. Therefore under this condition the banker refuse to pay a cheque.	
	Hence, the use of cheque has more advantages because cheque is portable to be carried from one place to another, it reduces theft issues and also helps to keep records to the bank.	

Extract 8.1 is the sample of a response from a candidate who scored high marks. The candidate evaluated the conditions which make a banker to refuse to pay a cheque.

The candidates who scored low marks (2%), understood the requirements of the question but had inadequate knowledge in examining the required conditions. Most of them were able to give a few correct conditions but some mixed up their explanations on some of the points. Some candidates confused the three parties of a cheque, that is drawer, drawee and payee. They failed to use the parties correctly in their responses and as a result, could not get enough marks.

2.2 152/2 COMMERCE PAPER 2

2.2.1 Question 1: Business Units

The question had part (a) and (b). In part (a) candidates were required to explain four factors necessary for the success of the co-operative societies and in part (b), they were required to describe essential characteristics of sole proprietorship.

This question was compulsory therefore it was attempted by all 1,533 (100%) candidates. The performance was good since 38.9 percentage scored from 12 to 19.5 marks, 52.6 percent scored from 7 to 11.5 marks and 8.5 percent scored from 0 to 6.5 marks. This performance is summarized in figure 9.

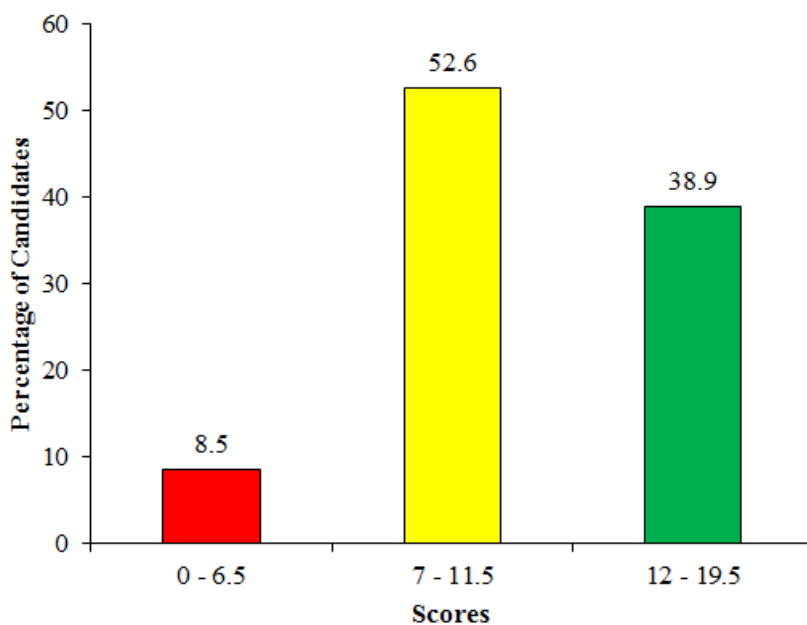


Figure 9: The Percentage of the Candidates' Performance

The candidates who scored from 12 to 19.5 marks showed a clear understanding of the demands of the question and had adequate knowledge and skills of the Business Unit, especially on the co-operative societies and sole proprietorship. The candidates were able to explain the factors necessary for the success of the cooperative societies, though not all were able to explain correctly all the required factors. Most of them explained correctly at least two factors. The factors necessary for the success of the co-operative societies highlighted by some of the candidates were the volume of business, adequate fund/economic sound, high level of managerial ability and honesty. Cooperation (loyalty) among members of the cooperative should also be considered as a necessary factor for the success of the co-operative society. The majority of the candidates were able to provide correct responses with examples in part (b), as compared to part (a). The variation of marks among the candidates was caused by the ability of the candidate to give clear explanations and the correct number of points. Extract 9.1 shows the sample of a good response.

Extract 9.1

1 a)	<p>Cooperative societies are the associations of people with the same or common economic, social and cultural goals and interests with the main aim of achieving them in a more definite way.</p> <p>The following are the factors for the success of the co-operative societies:-</p> <p>Adequate financing. A co-operative society needs to have a reasonable financing such as Capital so as to run or operate the firm or the society effectively with maximum efficiency. The capital or finance will or can be used to acquire a building for the operation to take place as well as to buy crops from farmers.</p> <p>Goals and Objectives. A co-operative society needs to have the objectives and goals for its existence such that will dedicate all its efforts so as to make sure that goals are achieved and the objectives are implemented hence success to the business unit. The co-operative will have the motivation needed to keep on operating until it has obtain and attain the goals and objectives.</p> <p>Interference. For a co-operative society to become success there should be minimum interferences from mostly the authority precisely the government as well as other people should not interfere with conducting of co-operative mostly in decision making of the firm. The government should set policies that will not hinder the successful operation of the co-operative society.</p> <p>Loyalty and Honesty. A co-operative society needs to have members who are loyal to the</p>	

1a)	co-operative no matter what or under any different circumstances as well as they should be honest in their dealings with no any element of corruption or embezzlement of funds of the cooperative thus a successful cooperative should adhere to honesty and loyalty factors.
	Adequate volume of business. The volume of the business needs to be adequate enough since will be able to motivate more profit if the business operates in large scale hence create larger profit hence a successful co-operative society in the country.
	Hence co-operative society are faced with a number of problems such as Corruption, lack of fund, inadequate and unskilled manpower, Shortage of transport and storage facilities.
1b)	Sole proprietorship is the business unit which is operated by one person who contributes capital to the business either through personal sources or borrowing from friends or bank because they cannot subscribe capital to the public.
	The following are the essential characteristics of sole proprietorship:-
	Ownership. The sole proprietorship is the business operation that is owned by one person only such that he or she is the sole controller of every transaction in the business. He or she deals with the business alone without any help from outsider in regarding business operation thus it a single person ownership.

1b)	<p>Unlimited liability. Sole proprietorship has unlimited liabilities such that in event of bankruptcy and the business is liable to a number of debts the payment of the debts will be done on the personal assets like land, Houses and Cars will be sold by the creditor so as to retain the loss incurred.</p> <p>Capital contribution. In sole proprietorship capital is contributed by the owner of the business either through personal finance like Savings or Borrowing from friends and banks. These is because capital in sole proprietorship cannot be subscribed to the public to contribute capital.</p> <p>Profit and loss. In sole proprietorship the profit obtain as a result of the operation of the business is enjoyed by the owner him or herself for profit is not shared by other people. As well as in case of any loss he or she is also responsible and bears it him or herself. Thus in sole proprietorship there is no sharing of profit or loss.</p> <p>Decision making. In sole proprietorship all the decisions concerning the business are made by the owner of the business himself unless otherwise. In case of difficulties he can ask for assistance but not otherwise. Hence its less bureaucratic in decision making for the owner doesnot need to consult any other person regarding the business.</p> <p>Therefore sole proprietorship is a flexible business with maximum confidentiality as well as can be formed easily and dissolved by court, decision, or if the owner becomes insane, dies or bankrupt.</p>	
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Extract 9.1 presents a good response from a candidate who was able to answer the question according to the requirements.

Nevertheless, the candidates with average performance (52.6%) were able to answer part (b), they gave a sufficient number of points on the essential characteristics of sole proprietorship, with relevant explanation. Besides, there was a good number of candidates who attempted part (a) but they

were only able to explain correctly a few points like sufficient amount of capital and good management, together with honesty of the leaders and all members of the societies. Moreover, other candidates answered only part (b) and left part (a) unanswered. The weaknesses observed made the candidates fail to score high marks.

The candidates with poor performance (scored from 0 to 6.5 marks) were not able to explain the necessary factor for the success of the co-operatives in part (a). They had insufficient knowledge and skills of business units. The problem which faced most of such candidates was the identification of the task of the question in part (a). Some of these candidates failed to differentiate the factors for success, principles and the advantages of co-operative societies as their responses included some advantages of cooperative societies and the principles of co-operatives, instead of the factors for success of the co-operative societies. Very few candidates managed to explain at least one out of four required factors. However, many candidates in this category described at least three essential characteristics of sole proprietorship, though their descriptions were not correct. Other candidates who incorrectly answered the question explained the advantages of sole proprietorship instead of its characteristics in part (b). Extract 9.2 is the sample of poor performance.

Extract 9.2

1	@	Co-operative societies'. Refers to association of the people to carry particular business activities for helping each other the minimum under of Cooperative societies is ten (10) and infinite. The main purpose of Cooperative societies is to help each other These are the factors necessary for success of the Co-operative societies.
		Better allocation of resources. In order the Cooperative societies to succeed in business activities, should allocate well the resource, mean to invest on productive area, so as to earn large income and avoiding Loss incurred in cooperative societies that is one of factor which is necessary for the success of the cooperative societies.
		Good Planning machine; without good planning machine in Cooperative societies not easy to success. In planning there is long term planning, short term planning, and middle planning machine, this plan will help to reach the goals. This include the supervision of the cooperative societies.
		Government support through provision of subsidies to assist Cooperative societies: Member of Cooperative societies are only who contribute capital in association their capital are not enough to run the Cooperative as well government to support them so as to achieve the goals. by providing subsidies.
		Corruption should be prevented against Leader: If there is misuse of resource for private gain the Cooperative societies do not success, so Corruption and misuse of Cooperative's resources must be prevented and federal Cooperative to take measure against it through that Cooperative societies can achieve the goals or success.

1	(b)	Sole proprietorship: This is business unit which established by individual person or family. This sole proprietorship can be controlled by individual person or his or her family. These are the essential characteristics of sole proprietorship.	
		Small capital used. To start this business unit, not need a lot of capital simply because the small capital can initial the sole proprietorship, the money required to run the sole proprietorship is small due to the low cost in operation.	
		Small scale of production. Due to the small initial capital used in sole proprietorship, the scale of production is small because is operated by individual person or his or her family this is essential characteristic of the sole proprietorship.	
		Less cost in production. In production, the sole proprietorship involves less cost in production due to the small scale in production and also no employment of labour, the production activities done by individual person or family include wife, husband and children or an relative family.	
		Capital is contributed by proprietor. The owner of sole proprietorship is only who contribute the capital of the business, this is through selling his properties and borrow the money from friends, none who contribute the capital in sole proprietorship.	
		Making decision quick. The proprietor can make quick decision without involves in body. because the business is controlled by one person. so can solve the problem which facing his business very quick. due to the lack of bureaucracy in decision making hence to improve his business.	

In Extract 9.2, the candidate explained how to use the resources available in the co-operative societies and some of the advantages of sole proprietorship instead of the factors necessary for the success of the co-operative societies and the essential characteristics of sole proprietorship.

2.2.2 Question 2: Foreign Trade

In this question, the candidates were required to give six arguments to support the statement that, “A free trade is the outcome of the international trade”.

The question was opted for by 88 percent of the candidates out of which 36.8 percent scored from 12 to 20, 38.4 percent scored from 7 to 11.5 marks and 24.8 percent scored from 0 to 6.5 marks. Generally, the performance in the question was good as 75.2 percent of the candidates scored from 7 marks or above. Figure 10 summarises this performance.

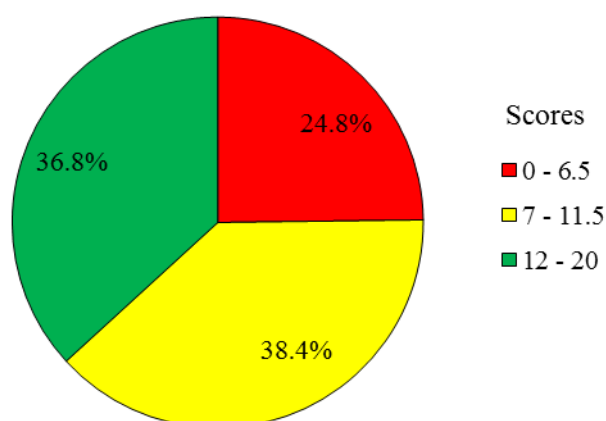


Figure 10: The percentage of the Candidates’ performance

The candidates who performed well (36.8%) were able to provide supportive arguments on the statement, “A free trade is the outcome of the international trade”. The majority were able to give relevant responses with examples to support the statements. Their responses showed a better understanding on the subject matter. The disparities observed on their scores were due to the extent of accuracy of the correct points, the number of correct arguments as per question's demand and a good presentation of the parts of the introduction and conclusion. Extract 10.1 reveals a response from a candidate who adhered to the demands of the question.

Extract 10.1

Qn. 2	<p>International trade is the buying and selling of goods and services outside the country's boundary. It involves exchange between two countries and more. Free trade is a situation where the government of the country does not impose any restrictions in the importation or exportation of goods and services.</p> <p>Free trade is one of the outcomes of international trade, due to the following advantages that free trade has from international trade:</p> <p>It improves the general welfare of people :- through free trade different goods and services from outside countries are imported in the country. This increases the availability of goods and services in the country. Hence leads to consumers satisfaction of their needs and wants. Hence economic welfare of the society is improved.</p> <p>Leads to improvement of technology :- It is through free trade in international trade where transfer of technology is able from the developed countries to the less developed countries. Hence this leads to improvement in technology in the developing countries. Hence it is the outcome of international trade.</p> <p>Widens consumers freedom of ^{choice} variety :- It is through free trade in international trade that enables a country to gain that which it can not produce and also increase the availability of different goods and services in the country. Hence this widens the consumers freedom of choice, due to the availability of variety.</p>
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en:2	<p>Increase in competition and efficiency:- Through free importation of variety of goods and services from outside countries, it makes the local manufacturers to be more innovative and increase the quality of their products, from those produced by the other country. Hence this increases competition among traders, hence leading to increase in efficiency of production.</p> <p>Increases specialization:- Through free trade a country is able to utilize more the resources which makes it to earn an absolute advantage. Hence this increases specialization of the country in production of a certain commodity. This therefore leads to full utilization of the natural resources available in a country.</p> <p>Increase in foreign currency:- due to free exportation of goods to outside countries without facing any barriers. A country is able to obtain foreign currency from the sale of its products. Hence leads to increase in country's revenue and better economic growth of the country. Therefore free trade is the outcome of international trade.</p> <p>In conclusion, free trade is very useful as it enables countries to be able to import and export goods freely without facing any barriers. Hence facilitates international trade to take place effectively.</p>	
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In extract 10.1, the candidate showed greater understanding and the ability to argue for the statement, "free trade is the outcome of international trade".

The responses from the candidates whose scores ranged from 7 to 11.5 marks showed that these candidates understood the demands of the question but they were able to provide only some correct arguments on the statement, with valid explanations. Others were able to highlight all the correct points but failed to defend some of the points with relevant explanations. This verifies that the candidates had partial knowledge of the subject matter.

The candidates with poor performance scored from 0.5 to 6.5 marks. The majority of these candidates were unable to give genuine arguments to support the statement given. Some candidates tried to argue for the statement but due to insufficient knowledge of the concept tested, they were only able to explain the points like transfer of technology and increase in welfare of the customers a few observed the rules of essay writing in the presentation of their responses. Other points which were explained by the candidates interchangeably include an increase in the production in local industries (efficiency) and competition which also supported the statement.

Some of the candidates who scored 0 failed to interpret the question. They lacked knowledge of foreign trade. Some of them explained the limitations of free trade, while others explained the challenges of international trade. A few explained the methods used to control import trade instead of giving the argument to support the statement given in the question. Some of the candidates in this category explained the difference between home trade and international trade. Extract 10.2 is an incorrect response from a candidate who scored low marks.

Extract 10.2

2.	Free trade: Refers to the trade performing trade barrier or trade restriction in trade activities, while International trade is a trade which involves import trade activities and export trade activities. Import trade involves buying goods and services from abroad while export trade involves selling goods and services to abroad. so free trade is one of the outcomes of International trade due to the following factor.
	Emergence of Integration in an International trade. free trade involves the integration of member countries which involves more than one country. this leads the emergence of International trade because it involves many countries in trade activities.
	Terms of trade. The free trade includes the import price with the export price of commodities which also this terms use in International trade which involves import trade and export trade, mean price of buying goods and services from abroads and export trade means price of selling goods and services to abroads.
	Means Balance of payment. The means of payment of free trade is related to the means of payment which use in International trade this involves using of telegraphic foreign bank draft and letter of credit this is one of the outcome of international trade.

2.	Documentary of trade. The documents which used in free trade is similar of documents which used when international trade take place. Also and procedure are the same of international trade.
	Example foreign bill of exchange used by free trade is similar to the foreign bill of exchange used in international trade.
	Economic problem like Import inflation. The economic problem which can be emerged in free trade like Import Inflation is similar of the economic problem which can be emerge in an international trade, when not control the Importation of goods from abroad.
	Gain from a trade. when conduct the free trade there is gain from a trade, this gain is similar of trade gain from international trade so the free trade is one of the outcomes of international trade due to that gain from trade like increase of foreign currencies in country.
	Also free trade and internal trade both trade involves more than one countries this shown that free trade is one of the outcomes of international trade.

In Extract 10.2, the candidate highlighted the similarities of free trade and international trade instead of arguing that free trade is the outcome of international trade.

2.2.3 Question 3: The Business Office

In the question the candidates were required to describe six factors to consider in choosing office location.

A total of 1,483 (96.7%) candidates opted for this question, out of which 37.2 percent scored from 12 to 19.5 marks, 52.1 percent from 7 to 11.5 marks and 10.7 percent scored from 0 to 6.5 marks. This is one of the most opted for question and the general performance was good as the scores of

89.3 percent of the candidates ranged from 7 to 19.5, as seen in figure 11 below.

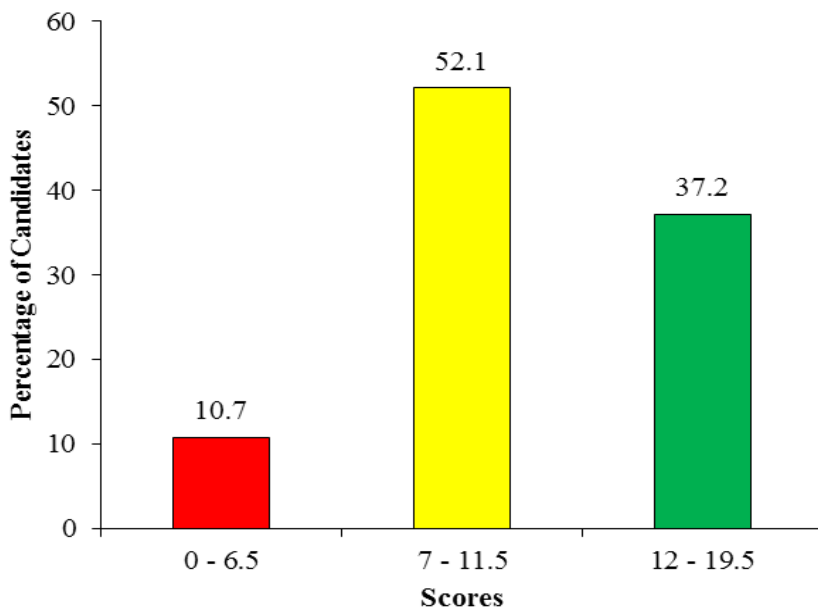


Figure 11: The Percentage of the Candidates' Performance.

The candidates who scored high marks (from 12 to 19 marks) were able to describe six factors to be considered in choosing office location. These are; operational cost, space to facilitate expansion, accessibility, availability of supportive services, availability of labour, power and water supply, security, public relation and the image of the organisation. These candidates failed to score full marks as some of them provided brief explanations which did not contain some of the key points on some of the points. However, a few among them ignored the introduction and conclusion in their responses. Most of the candidates' responses showed their ability and knowledge of business office, in particularly the office location. The slight weaknesses observed from the candidates' responses varied from one candidate to another; thus affecting their range scores. Extract 11.1 presents a sample of a good response.

Extract 11.1

3

Office is a space set aside for work that are clerical in nature such as for receiving information, and recording of information. Location of the office is the place where an office is situated or located.

The following are the factors to consider when choosing a location of an office.

Availability of enough space; Office should be located to a place where there is space and making it able to expand when it finds it necessary and not a space that is overcrowded and making it unable to perform its clerical activities and therefore hindering it.

Accessibility; An office should be located to a place that is quick easy to access it without any difficulties of finding it when in need of one and should not be located to a place that is hard to find and hence making it impossible to access it.

Availability of communication system; Also the business office should be located to a place that there is reliable communication and can make smooth flow of office information easily without any disturb therefore the business office should be located to place with reliable communication system.

Availability of financial activities; Also it is necessary of a business office to be located in a place that has financial activities that will help the business office to perform economic activities that will help the office expand in size and will lead to further

3 Success of an organisation therefore a business office should be located to places with financial activities that are taking place.

Availability of electricity and power supply;
Also a business office should be located to place that there is availability of electricity and power supply since there are various office equipment that need power supply such as photocopy machine hence a business should be located to place with available electricity and power supply.

Availability of peace, quite and security;
The business office should be also located to a place that has presence peace, quite and security that will help to smooth flow of activities of the business without any disturbance and therefore office should located to a safe place with peace and quite.

Ease in acquisition of office equipment;
Lastly, the office should be located to place that has ease to acquire business office equipment without any hardship when the business office finds it necessary to acquire some equipment necessary for office development such as furniture, Accessories and other hence office should be located to place that has ease acquisition of equipment.

Generally; Location of a business office plays a huge role in success of business and should be consider the explained reason.

Extract 11.1 presents the sample of a response from a candidate who was able to describe the factors to consider when choosing a location for an office.

The majority of the candidates (52.1%) scored average marks (from 7 to 11.5 marks). They correctly interpreted the question and were able to provide some correct factors with relatively correct explanation to some of such factors. Others repeated the same points which had already awarded some marks with different explanations.

On the other hand, some of the candidates with poor performance deviated from the demand of the question due to insufficient knowledge and skills of the subject matter. Most of the candidates explained the essential features for a good office instead of the factors to consider while choosing a location of an office. However, some candidates were able to score some marks as they highlighted some correct factors though they failed to provide coherent explanation on such points. Extract 11.2 is a sample of a poor response from a candidate who misinterpreted the question.

Extract 11.2

Office is any place in which people can use to perform a certain activities in a successfully way. It can be open office or close office. An office should be a centre of information, provision of services, coordination and control as well as memory keeping. The following are the factors to consider while choosing a location for an office.

Proper Ventilation, In choosing a location for an office you should ensure that an office have proper ventilation such as space to allow inflow and outflow of air. Example large windows.

Proper lighting, There should be a presence of lighting in an office so as to facilitate efficient of an office operation. It can be sun light or even electricity lighting.

Room temperature, We should also consider room temperature of an office - so as to avoid over or under temperature - within and an office.

Interior decoration, Also an office should have good interior decoration so as to create good attraction to visitors as well as to mobilize workers and efficiency working. Example good color.

Good Sanitation and cleanliness, The allocation of an office presence of sanitation inside and outside an office should be considered as well as cleanliness of an office.

In Extract 11.2 the candidate misinterpreted the question by describing the factors necessary for a good office instead of the factors to consider while choosing a location for an office.

2.2.4 Question 4: Contract of Sales

The question had two parts, (a) and (b). In part (a), the candidates were required to analyse the rules governing offer and acceptance in formation of valid contracts. In part (b) they were required to describe the terms, misrepresentation and implied contracts of buying and selling goods.

This was the most avoided question as only 218 (14.2%) candidates attempted the question out of which, 62.4 percent scored from 0 to 6.5 marks, 16 percent scored from 7 to 11.5 marks and 21.6 percent scored from 12 to 19 marks. The data shows that the candidates' performance in this question was average as 37.6 scored from 7 marks or above out of the 20 marks allocated to the question. Figure 12 is a summary of the percentage of the candidates' performance in this question.

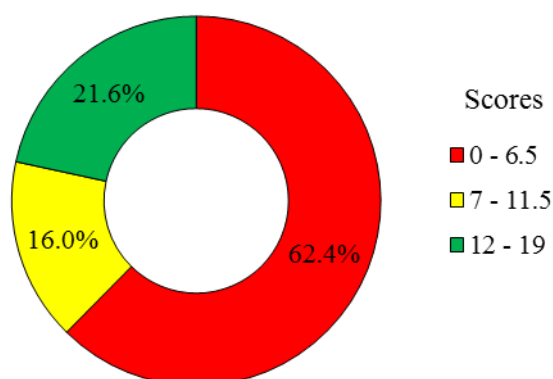


Figure 12: The Candidates' performance

The candidates who scored high marks (21.6%) had adequate knowledge and skills of the contract of sales, as they were able to answer the question by analysing the rules governing offer and acceptance in the formation of a valid contract, with some examples. They followed the rules of essay writing. Moreover, they were able to use the appropriate terminologies used in the contracts of sales. Nevertheless, some of the candidates either failed to give the correct meaning of the terms given in part (b) or they described the terms partially. Extract 12.1 presents the sample of a response from a candidate who scored high marks.

Extract 12.1

4(a)	<p>Offer, this is an expression of readiness to a contract, of which when accepted give rise to a legal binding contract. Acceptance, this is the situation whereby the offer has been accepted by the offeree. The following are the rules governing offer and acceptance in the formation of valid contracts.</p> <p>An offer may be made in general or to a specific person. An offer can be made to a specific person or group of persons. The valid contract is only formed when an offer has been accepted by compliance on all its terms by a specific person or group of persons who have knowledge on the offer and intended to accept it.</p> <p>A person giving an offer may attach any condition he pleases. A person giving an offer may attach any condition he pleases at the time when the offer is made but this condition must know by offeree before the acceptance of the offer.</p> <p>There is no contract which exist until the offeree has signified his acceptance of the offer. The valid contract is formed only when the offeree has signified his acceptance of the offer on all its terms and conditions. Therefore, if the offeree signified his acceptance of the offer a valid -</p>	
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4(a)	Contract is formed	
	An offer can be abandoned at anytime. This is one among of the rules which govern offer and acceptance. An offer can be abandoned at any time before the acceptance of the offer. The offer can only be abandoned before it has been accepted by the person to whom the offer was made.	
	An offer can be revoked. An offer can be revoked at any time, but if an offer is revoked there must be some communication to the offeree and this information must actually reach him/her before he has been accepted the offer given.	
	Acceptance of an offer should be unconditionally. The offer should be accepted on all its terms and conditions by offeree without any condition for the acceptance of the offer. Therefore, a person to whom an offer was made should not attach any condition during the acceptance of the offer.	
	An offer should be accepted within a stipulated period of time. An offer made to a specific person or group of persons should be accepted within a reasonable period of time, specified during the time when the offer was made.	

40/11	* Misrepresentation - This is the situation whereby one party involved in the contract of sale provide false information, make fraud and influence the other part to enter into the contract which do not have a full knowledge on it.	
(ii)	Implied Contract - This is a type of contract in which the terms and conditions of a contract are not expressed. For example, if a person stops a bus and board on it without asking for bus fares, then this is implied contract because at the end his journey will have to pay the required bus fare.	

Extract 12.1 is the sample of a relatively good response from a candidate who was able to meet the requirements of the question.

On the other hand, the observation made on the responses of the candidates with an average performance (16%) revealed that the candidates had knowledge of the subject matter but failed to recall all the rules governing offer and acceptance in the formation of a valid contract. They were able to analyse at least some rules as per requirements of the question in part (a). Furthermore, the observation showed that a few candidates were able to describe the terms *misrepresentation* and *implied contract* in part (b) correctly.

The candidates with poor performance (62.4%) were unable to answer the question as was required due to their inability to identify the task of the question, or due to poor knowledge of the contract of sales. The observation from some of the candidates' responses further revealed that the majority of the candidates' had misconceptions of the rules governing offer and acceptance in the formation of a valid contract in part (a). Some of them described the conditions necessary for the termination of a contract, while others wrote on the essential characteristics of a contract of sale of goods or

essentials of a contract of sales. In addition, other candidates explained different methods of buying the goods. Part (b) was skipped by the majority of the candidates. This is an indicator that the candidates were not familiar with the terms. However, the candidates who attempted this part failed to provide the correct meaning of the terms. They defined the terms using a normal translation instead of the language used in a contract of sales. Hence scored a 0 mark.

However, there were some candidates who were able to mention a few rules correctly, with unrelated explanations. Others responded correctly in part (b) by defining the terms with relevant answers supported by some examples. Extract 12.2 portrayed a poor response from a candidate who scored low marks.

Extract 12.2

Ans.	<p>Offer and Acceptance. Is the process whereby an offeror offer a sale and an offeree accepts the offer. An offer can be terminated because of revocation, lapse of time, death and rejection.</p> <p>The following are the rules governing offer and acceptance.</p> <p>Involve two parties. Offer and acceptance should involve two parties whereby one is an offeror and the other one is an offeree.</p> <p>A subject matter of offering. Also there should be a subject matter which is offered by an offeror to offeree either it may be a sale of a car or any product of commodity.</p> <p>Mutual consent of the offeree. The offeree should freely agree to accept the offer made by the offeror with being advice or forced by any one, he should accept freely.</p> <p>Agreement. Offer and Acceptance involves agreement between the offeror and offeree to conduct an exchange if one party does not agree then an offer can be terminated.</p> <p>Therefore offer and acceptance is one of the essential of a contract to be called valid.</p>	
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4b.		
i.	Misrepresentation	
	Is the process whereby a seller misrepresents the goods to the buyer. This situation can be because of the agency of the product therefore the seller instead of taking or packing goods from the warehouse or shop the right product needed he or she takes the wrong product which will be sent or transported to buyer the product which is not required by the buyer.	
ii.	Implied Contract	
	This is one of the type of contract in which issues have to be discussed which are going to be negotiated whereby they are going to bring significance to the contract.	
	Implied Contract are contra to express contract whereby implied contract are simply implied by the parties involved in the agreement before a contract is made.	

Extract 12.2 is the sample of a response from a candidate who described the essentials of a contract of sales in part (a) instead of analysing the rules governing offer and acceptance in the formation of a valid contract. The candidate also failed to define the terms as used in a contract of sales.

2.2.5 Question 5: Marketing

In this question, the candidates were required to explain five functions of a market and elaborate four internal sources of information necessary for carrying out a market research.

The question was opted for by 689 (44.9%) candidates, of which 20.3 percent scored from 12 to 18 marks, 58.4 percent scored from 7 to 11.5 marks and 21.3 percent scored from 0 to 6.5 mark. Generally, the candidates' performance in this question was good as 78.7 scored from 7 marks or above. Figure 13 summarizes the distribution of the candidates' scores in this question.

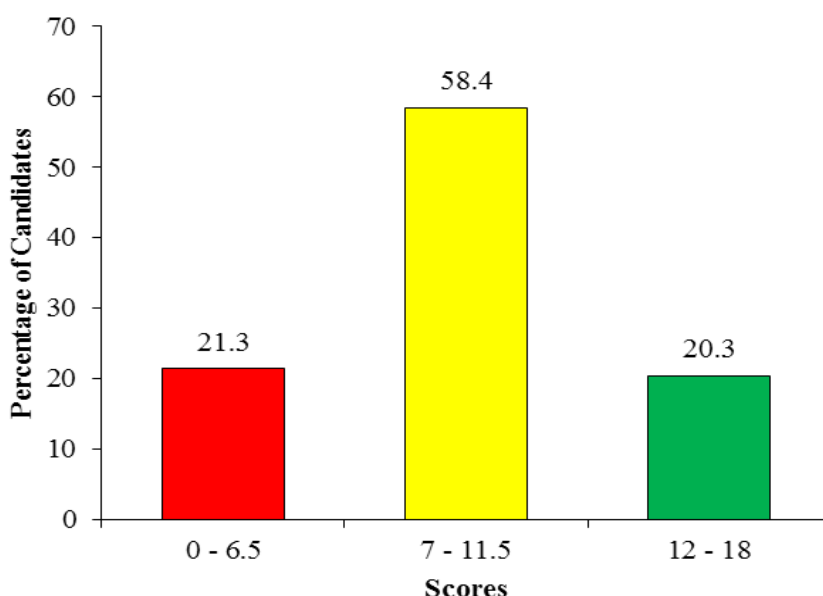


Figure 13: The Percentage of the Candidates' Performance

The candidates who performed well (scored from 12 to 18 marks) were able to explain five functions of a market, and gave four internal sources of information necessary for carrying out market research, though some of their explanations on the sources did not deserve full marks. Many candidates were able to answer correctly part (a) as compared to part (b). In part (b), they elaborated at least two out of the required four internal sources of information, necessary for carrying out a market research. This led to the variation of scores. Extract 13.1 presents a sample of a good response from a candidate who scored high marks.

Extract 13.1

5.	<p>Market is an area whereby buyers and sellers meet to exchange their products. Marketing covers a lot of activities that are undertaken from the area of production to making sure the goods have reached the final user. The function of a market are:</p> <p>Source of supply, through the existence of the market the producers are stimulated to produce their <u>commodities</u> and then supply them to the area of demand. The producers increase the supply of their commodities when they are sure of acquiring profit from their produce.</p> <p>Facilitate transaction, through the market the buyers and sellers are able to meet and exchange their commodities this is because a specific area whereby the buyer and seller can meet. eg. Karisoko market facilitates the <u>transaction</u> of the seller and people from different places.</p> <p>Increase production, if a producer is sure that his commodities can be taken into the market and be demanded then he will be stimulated to supply more so as he can sell more to the customers and acquire his goal profit. eg. No industries production.</p> <p>Price stability, through the market forces that demand and supply the sellers are able to acquire a price that will increase the peoples demand and also for the sellers to acquire a reasonable profit, also prices can be acquired through bargaining in the markets.</p> <p>Contact between the buyers and sellers, the contact between the buyers and sellers is promoted in the market thus because the are sellers will directly meet the buyers at convince him on what commodit-</p>	
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5	ies to use as so as his wants can be properly satisfied.	
	On the other hand there is market research, this can be explain as.	
	Market research is a situation whereby the producers or seller seek for sufficient info information on what to produce, how to increase the quality of the produced commodity and where to supply the commodities so as to satisfy the customer's wants. The internal sources of information necessary for carrying out market research are	
	Marketing officers, through marketing officers the business can acquire the required information that will be used in the daily business activities and acquire the objective of the business.	
	Internal sales men, the salesmen get into contact with the customers so it is easy for them to talk to the customers and know what is being demanded by the customers and in the end report it to the office whereby it will be worked on.	
	Business agents, the agents have a great chance of meeting customers and knowing what the customers need so through this what to be added or reduced in the sense of improving the quality of the goods or services.	
	Customer care staff, the staff that are mainly dealing with providing direct information or receiving information from the customers have a great role in conducting market research by receiving views from customers. eg. Iigo, Ubadacom and Halotel acquire most of their information from the customer care calls and through them services are improved.	

Extract 13.1 is the sample of a relatively good answer from a candidate who scored high marks as he/she was able to explain most of the points correctly.

The candidates who scored from 7 to 11.5 had partial knowledge of the marketing topic. Most of them were able to explain the functions of a market and mentioned few sources in part (b), but failed to elaborate on the internal sources of information necessary for carrying out a market research. Some candidates mixed the general source of information with the methods of carrying out a market research. The methods mentioned were observation, questionnaire and internal research. Others outlined the market functions but could not explain them with a correct explanation.

On the contrary, the candidates who performed poorly in this question showed poor understanding of the subject matter. They had a poor command of English language, and interpreted the question wrongly. However, there were some candidates who managed to explain at least two correct functions of a market, and had a correct presentation of the introduction in their responses. Some candidates explained the marketing functions instead of market functions. A few candidates in this group were able to provide some correct points on the internal sources of information, necessary for carrying out market a research such as members of the distribution channel. Others described each member of the channel of distribution as an independent point. Extract 13.2 presents a sample of a poor response.

Extract 13.2

5.	<p>Market is the place where buyers and seller meet and make transaction is situation where by buyer and seller make exchange. The following are the functions of market.</p> <p><u>Buying and assembling</u>; the market is responsible to buy and collect the goods and services from different suppliers or manufacturers and sell them to the students.</p> <p><u>Transportation</u>; the market is responsible for transport goods and services to the customer places. Some of goods and services for example if the buyer purchase goods in bulk from market so the marketer would allow transport.</p> <p><u>Bear risks</u>; the market is responsible to bear any losses occurred if the loss occur due to fall of demand of goods or loss from theft or any loss from market. The market is responsible to bear the risk.</p> <p><u>Storage</u>; the goods which are bought and collected from different suppliers the market is responsible to store them for future purchase.</p> <p><u>Sets price</u>; the market is responsible to set price of certain certain goods and services which they include all expenses incurred in purchasing and selling.</p>
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5.	Also following are the sources of information necessary for carrying out market research.	
	Respondent; when you carrying market research the information may get from the respondent who give full details sometime call call the observer.	
	Literature work; you can get information from books of different researcher in order to get information concerning the product.	
	From the competitors; also you can get information from the competitor who compete with them in order to win the market.	
	Through social media like internet you may get the information of market research and you can carrying with that information. For example if you want to know the people of software like type of which soft drink you may search and get your answer.	

Extract 13.2 shows the sample of an incorrect response of a candidate who pinpointed the functions of marketing and the external sources of the necessary information for carrying market research, instead of market functions and the internal sources of information used in market research.

2.2.6 Question 6: Taxation

The candidates were required to discuss the main factors used to determine the taxable capacity of a nation.

The question was opted for by 640 candidates out of which, 55.2 percent scored from 12 to 20 marks, 31.5 percent scored from 7 to 11.5 marks and only 13.3 percent scored from 0 to 6.5 marks. These data reveal the

candidates' good performance in this question. Figure 14 summarises this performance.

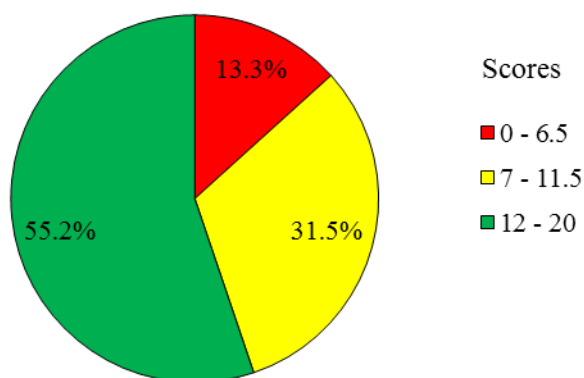


Figure 14: The Percentage of the Candidates' Performance

A good number of the candidates (55.2%) performed well in this question as they managed to discuss the main factors used in the determination of the taxable capacity of a nation and provided examples on some of the factors. Such performance could be attributed to the fact that the topic is taught in Commerce as well as in Economics, hence the candidates took advantage in answering the question. The candidates' scores in this group varied due to a number of factors like the number of correct responses provided and the degree of accuracy of the candidates' explanations. Extract 14.1 presents a sample of a good response in this question.

Extract 14.1

6. Taxable capacity is the ability of people in a nation to pay tax assessed on them and still remain with a reasonable amount of money to meet their day to day expenditures or live normally. The following are the factors determining the taxable capacity of a nation and its people.

Economic progress of a country: If the country is experiencing good economic situation, may it be boom, it means that there will be greater investment, increase in production of different goods and services and people engage themselves in productive activities that makes them to earn more revenue and therefore they will have high taxable capacity because they will be able to pay the tax and yet remain with enough disposable income to meet their expenditures but if the economic progress of a country is poor there will be low investments and also people will have no jobs therefore having low incomes and hence low taxable capacity because they will pay the tax and remain with a very few amount of money.

Population size of a country: If the population of a country is high, the taxable capacity will be high because of a large number paying the taxes and therefore the government collect more revenues and hence fair distribution of incomes but if the population is low the taxable capacity will also be low because few people will be paying the tax and they will be required to pay more/high taxes and hence remaining with a very low income.

Attitude of the tax payers: If the tax payers have positive attitude towards paying the tax, the taxable capacity will be high because they will be willing and able to pay the tax and retain more incomes also but if the tax payers have negative attitudes towards the payment of tax, the taxable capacity will be very low and hence the government will receive very low incomes from tax.

Q6.	<p><u>Inflation</u>: A persistent increase in the general price level, if the country experiences inflation it means the prices of goods and services will be very high therefore the citizens or people will be paying more money to acquire such goods and services whereby their incomes remain very small and when they pay tax, they will be remained with a very few incomes therefore the taxable capacity will be very low but if there is deflation, the taxable capacity will be somewhat high due to low prices of the goods and services.</p> <p><u>Level of incomes among the people</u>: If the people in a nation will have high levels of incomes, the taxable capacity will be very high because they will be able to pay the tax they are required and yet remain with sufficient incomes, but if there are low levels of incomes among the people, the taxable capacity will be low because people will pay the taxes and yet remain with insufficient income to meet their expenditures.</p> <p><u>Income distribution/redistribution</u>: If there is fair and equal distribution of incomes among the people in a nation, the taxable capacity will be high because every individual gets a reasonable income to meet his/her needs, therefore even when he/she pays tax, he/she will retain incomes because it is fairly distributed. But if there is unfair redistribution of incomes, the taxable capacity of the nation will be low because there will be people who have high incomes and with low incomes therefore only the rich will pay the tax but the poor will fail to pay the tax assessed on them and this leads to low revenues from tax and hence low taxable capacity.</p> <p><u>Conclusively</u>: the above are the factors which determine the taxable capacity of a nation whereby high taxable capacity will lead to more revenues but low taxable capacity will lead to a very low amount of revenues from taxes.</p>	
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Extract 14.1 is the sample of a response from a candidate who was able to discuss the main factors used to determine the taxable capacity of a nation.

The candidates with average performance (scored from 7 to 11.5 marks) were able to identify the requirements of the question but managed to discuss few factors correctly. Some of the candidates' responses had a mixture of correct and incorrect responses. For example, one of the candidates' responses contained a few correct factors mixed with the advantages of taxation. The majority provided insufficient number of factors. This resulted from partial knowledge of the subject matter.

The candidates whose scores ranged from 0 to 6.5 marks failed to discuss the factors required due to some factors like poor interpretation of the question, inadequate knowledge of the subject matter and incomplete responses. For example, one of the candidates who scored a 0 mark discussed the advantages of taxation to a nation instead of the main factors used to determine the taxable capacity of a nation. However, some of the candidates in this group were able to give a few correct points and had a relevant introduction, while others managed to list some of the correct factors with inadequate explanations. Extract 14.2 is the sample of a candidates' poor response.

Extract 14.2

Q	<p>Tax is the compulsory contribution from individual, firm and property to towards government expenditure. Example of tax are import and export tax, commodity and income tax. so the following are the main factor taken into consideration while determining the taxable capacity of the nation.</p> <p>Equally, tax must ^{be} imposed according to the capacity of the people for example large business trade impose much tax than small traders or others.</p> <p>Economically, it is important for tax charges process must not cost high expenses for taken because it can lead to increase burden to the government.</p> <p>Elasticity, tax must be changed according to the circumstances period to period not to be fixed because many change may happen to tax payer</p> <p>Productivity the imposed tax must be used for government expenditure like provision of important service to the public like hospital and education without used for private gain.</p> <p>Diversity, tax must imposed from narrow things not depend only on one things such as from income, and good and service when transported and consumed.</p> <p>Convenient also this must ^{be} taken to consider where by taxpayer imposed to pay tax after using a certain property or must imposed when tax payer is time for earning income or profit especially at the end of the month.</p> <p>The above are the main factor to be consider while determining the taxable capacity of a nation so if it's done correctly it can lead to the national development</p>	
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Extract 14.2 shows the sample of a response from a candidate who failed to identify the task of the question. The candidate pointed out the canons of taxation instead of the factors used to determine the taxable capacity of a nation.

2.2.7 Question 7: Import Trade

The question had two parts (a) and (b). In part (a), the candidates were required to elaborate four roles of customs authorities in Import Trade, and in part (b), they were required to explain the importance of bonded warehouse to the government.

The question was opted for by 972 (14.7%) candidates, of which 35.1 percent scored from 12 to 19.5 marks, 48.7 percent scored from 7 to 11.5 marks and 16.2 percent scored from 0 to 6.5 marks. This question had a good performance. See Figure 14 which shows a summary of the percentage of the candidates' performance in this question.

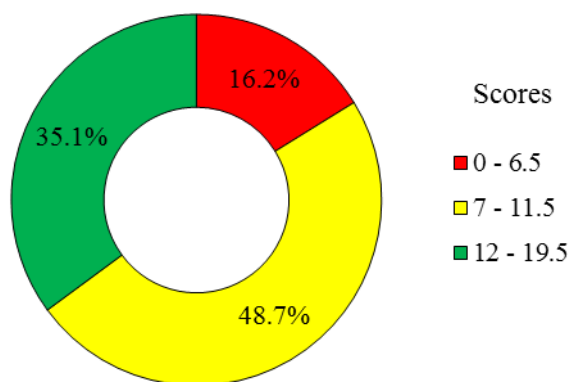


Figure 15: The Candidates' performance

The candidates who scored high marks (from 12 to 19.5 marks) were able to identify the demands of the question and produced points which were relevant to the question. These candidates were able to elaborate at least two roles in part (a), including either control movement of goods in and outside the country, public health, revenue collection or statistical purposes. Additionally, most of them explained the importance of bonded warehouse to the government, with appropriate explanations in part (b). Extract 15.1 presents the sample of a good response.

Extract 15.1

7 a)	<p>Customs authorities : refer to the government authorities which deals with the control of importation and exportations of goods and services, guiding and controlling as well as keeping accurate records, Example is Tanzania port Authority (TPA)</p> <p>The following are the four roles of Customs authorities in import trade.</p> <p>To Collect government revenue :- in import trade, people buy goods from abroad and once reaches to the importing country, importers should pay Customs duties such as tariff import duty, thus, Customs authorities collect the tax (import duty) on behalf of the government.</p> <p>To Control bonded warehouses :- refer to those warehouses where imported goods are stored while waiting for the payment of import duty, thus Custom authorities control bonded warehouse, to ensure that payment of duty is done and the goods are not released until the duty is paid.</p> <p>To Control Prohibited goods :- here here there some goods and services which are prohibited, (forbidden) by a certain country to be imported due to the adverse effect of the goods or service, thus Customs authority assist the government to control importation of prohibited goods. Example, Tanzania prohibit importation of sugar.</p> <p>Keeping of accurate records on imports :- also custom authorities do keep records on the total amount and value of goods and services being imported in a specific period of time, Thus control error and abuse or misuse of public funds.</p> <p>Generally, In Tanzania Custom authority is subjected with lack of modern tools and equipment, less efficiency staff and, still the government set small budget to assist this authority.</p>
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7 b)	<p><u>Bonded warehouse</u> :- refer to the type of warehouse where imported goods are kept while waiting for the payment of import duty. Thus the warehouse keeper do not allowed to release the goods until the custom duties are paid.</p> <p>The following are the importance of bonded warehouse to the government.</p> <p>Helps to control the importation of prohibited goods :- here a country may restrict import of certain good in the country, thus, while goods are in bonded warehouse, the government official may inspect if there is any of prohibited good, and if the prohibited goods found in bonded warehouse the government may send the goods back or destroy.</p> <p>Helps the government in tax collection :- here imported goods must be paid custom duties which are revenue to the government, thus bonded warehouse assist the government in tax collection, by ensuring so any one evade to pay tax, and goods are not released until the payment of import duty is done.</p> <p>Helps the government to measure the quality of imported goods :- here in some case importers may import goods with low quality for dumping, thus, while goods are in warehouse the government, through Tariff Bureau of Standard authority (TBS) may measure the quality of the goods imported to ensure health of consumers.</p> <p>Generally, Bonded warehouse is also very important to the importer, because, the goods may be blended, adulterated or packed while are in bonded warehouse and the importer may look for the buyer. Thus the government should ensure bonded warehouse are in good state.</p>
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Extract 15.1 is the sample of a response from a candidate who scored high marks. The candidate observed the requirements of the question and observed the rules of essay writing.

The candidates with average performance, whose scores ranged from 7 to 11.5 marks demonstrated their understanding of the question because they elaborated some of the roles and explained the importance of the bonded warehouse to the government, though some weaknesses were observed in their explanations on some of the given points, as they did not exhaust the basic information required.

The candidates who performed poorly had insufficient knowledge and skills on the subject matter. Moreover, some of them tried to explain a few points on the importance of a bonded warehouse but they gave partial explanations to some of the correct points. Many candidates explained the functions of warehousing like price stabilization, risk bearing, storage, and financing, while others explained the importance of warehousing instead of responding to specific type of warehouse (Bonded warehouse). Poor command of English language was observed as another problem. Extract 15.2 is the sample of a response from a candidate who scored low marks.

Extract 15.2

7a	<p>Import trade This is the trade which involve the process of buying goods and services from abroad. For example buying goods from Kenya and China.</p> <p>The following are roles of the Customers authorities in import trade. These roles are as follows.</p> <p>Buying goods; One of the role of the Customers in import trade is to buying the goods and services outside the country.</p> <p>Need of information about a new product produced; The Customers has the need to get the information about the new product that produced outside the Country.</p> <p>provide the information about the demand of a certain Commodity; Customers provide the information about the demand of a certain Commodity for importers.</p> <p>A Customer need the information about the quality and quantity of a product produced; A Customer in authorities in import trade need the all information and details about the quality and quantity of a certain commodity produced.</p> <p>The Customers has the roles in authorities in import trade in order to promote the trade. Therefore the Customers are very important person in international trade.</p>	
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Extract 15.2 is part of an incorrect response from a candidate who scored low marks. This candidate confused the word *customs* with *customer*, therefore tried to explain the position of a customer in trade/international trade.

2.2.8 Question 8: Organisation and Management of a Business

The candidates were required to analyse six basic managerial functions that lead to the success of a business organisation.

The question was opted for by 61.4 percent of the candidates, out of which (72.4%) scored from 12 to 20 marks, 18.8 percent scored from 7 to 11.5 marks and only 8.8 percent scored from 0 to 6.5 marks and among them 0.9 scored a 0 mark. These data indicate a good performance as 91.2 percent of the candidates scored 7 marks or above. Figure 16 portrays the data.

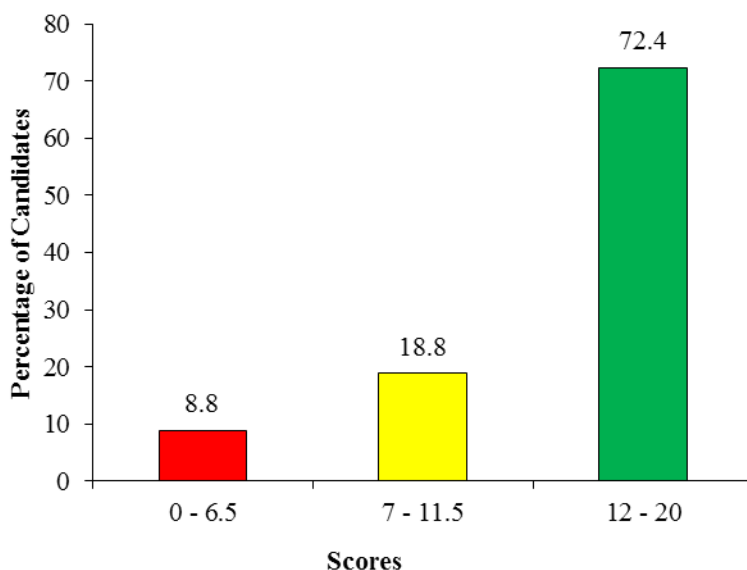


Figure 16: The Candidates' Performance

The majority of the candidates who performed well were aware of the managerial functions, hence they were able to analyse basic managerial functions as required by the question. However, the candidates' ability to provide correct explanations on each function differed from one candidate to another. Some candidates also failed to score full marks because they omitted the introduction and conclusion parties in their responses. The candidates who scored full marks were able to analyse the required number of functions, and supported their points with clear explanations and proper presentation of such responses. Extract 16.1 is a sample of a good response.

Extract 16.1

8.	<p>Managerial functions simply means the functions or elements or roles of the management. Management refers to the employing of human resources for the handling of the business organization. Management can be defined as a process, as a profession and as a discipline. Thus management as a discipline, is a definition that the management is both an art and a science.</p> <p>The following are the basic managerial functions which lead to the success of the business organization:</p> <p>Planning; this involves deciding what is to be done. This is a managerial function which requires the management of the organization to plan so as to succeed in achieving its objectives and goals. For example, the plan to promote domestic industries, the plan to eradicate poverty. Planning involves the selection of a plan from the various alternatives. The organization has to plan firstly before taking any further step in the achievement of its goals.</p> <p>Staffing; this is a managerial function which involves the determination of the number of staff needed, and employing of such staff in various sectors of the organization. Staffing involves elements such as; man-power planning, recruitment of workers, training of personnel, remuneration of workers, and taking corrective measures.</p>
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8. or performance appraisal. Through staffing the management is able to employ the exactly needed number of workers in the organization.

Controlling; this is another managerial function in which the management checks the actual performance of the workers and take corrective measures in case of deviation. The management does controlling so as to ensure the standards set are met. Therefore during the production process, the management tend to check the outcomes and compare them with the standards required and in case of deviation, it controls.

Directing; this is another managerial function which initiates action. The management instructs the staff on what is to be done, how to do it as well as the performance needed basing on the standards required. Therefore directing is done by the management before the workers begin their obligation. Hence directing tend to initiate action of the workers. But also it facilitates coordination.

Organizing and supervision; this is another managerial function, which the management tend to supervise and organize the staff in their obligations. However this function involves an organization chart which explains and shows the lines of duties, authority and power among the staff members. Therefore the organization chart is useful even to the new employees in knowing about the authorities existing.

Coordination; this is a managerial function which involves the integrating of the various sector of the organization. In an organization, there are various departments which are in various sectors, for example; the sales department, purchases department and the

8.	financial department. Therefore all of these departments are integrated through coordination which is done by the management.	
	Therefore these basic managerial functions are the ones which lead to the success of the organization. For any organization to succeed, there has to be a management which takes control of all the activities in the organization.	

Extract 16.1 is a sample of a response by a candidate who scored high marks after satisfactorily analysing the basic managerial functions.

On the contrary, the analysis revealed that most of the candidates understood the demands of the question but they had inadequate knowledge of the organization and management of the business. Some candidates pointed out some functions but they interchanged the explanations with the functions. Repetition of the points was another weakness observed in the candidates' responses. A few candidates failed to identify the demands of the question. Extract 16.2 is a sample of the response from a candidate who scored low marks.

Extract 16.2

8	<p>Business organization- this are organizations which they deal with the operation of business activity for the aim of obtaining profit. The following are basic managerial function which lead to the success of the business organization.</p> <p>Efficient and hardworking Staffs, this is one of the basic and managerial function which lead to the success of the business organisation and this is when in a particular organization there efficient work and hardworking workers this will lead to the success of the business organisation.</p> <p>Good management, this also is one of the basic managerial function which lead to the success of the business and this is when the management of the particular organisation is good and doing its work efficient this will lead to the success of the business organisation were by this management plans all the activities to be performed by each department in the organisation.</p> <p>Cooperation of workers in the organisation, this also is one of the managerial function which leads to the success of the business organisation and this occurs when there is existence of good cooperation between the workers and the management in general and this is through paying salary to workers which this will make workers to do there work efficiently so this is one of the functions which leads to the success of business organisation.</p> <p>Division and Specialization of labour, this also is one of the function which leads to the success of the business organisation and this is when work is being divided to each of the worker according to there skills and it is performed efficiently this will lead to the success of the business organisation.</p> <p>Profit obtained by the business, this is one of the managerial function of the business organisation and this is when the business obtains the profit from his activities</p>
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8	it is doing which this will lead to the expansion of the business and also increase in salaries of workers which this will lead to the success of the business organisation.	
	Capital invested in the business, this also is one of the managerial function which lead to the success of the business were by through the capital of the business activity will take place easily and this is through workers being paid there salary, buying of equipments etc. Due to this it may lead to the success of the business organisation.	
	Due to the points stated above we can see the	
-	managerial function which leads to the success of the business organisation.	

In Extract 16.2 the candidate explained some factors for the success of a business instead of the managerial functions which lead to the success of a business organization.

3.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE PER TOPIC

The analysis of the candidates' performance reveals that they performed well in all the questions in 152/1 Commerce 1 and 152/2 Commerce, with the exception of the topic of *Contract of Sale*, which was averagely performed. The topics with good performance are: *Advertising* (98.4%), *Banking* (98%), *Business Units* (91.5%), *Transport and Communication* (91.2%), *Organisation and Management of a Business* (91.2%), *The Business Office* (89.3%), *Warehousing* (88.3%), *Wholesale Trade* (87.7%), *Production* (87.6%), *Taxation* (86.7%), *Stock Exchange* (84.5%), *Import Trade* (83.8%), *Insurance* (80.7%), *Marketing* (78.7%) and *Foreign Trade* (75.2%). The percentages given in brackets in each topic falls under the good category because they showed the percentage of candidates who scored an average of 35 percent or above. The reasons for the good performance could be the ability of the candidates to identify the tasks of the questions, appropriate knowledge of the topics examined and good command of English language. There is an improvement on the topics of *Business Units* and *Organisation and Management of a Business*, which showed an increase in performance. They shifted from average performance of 2016 to good performance in 2017 examination.

The topic with an average performance in 2017 was *Contract of Sales* (37.6%). The reasons for this performance could be partial knowledge of the topic and the terminologies used according to the nature of the topic itself.

The candidates' performance in the year 2017 was better than that of 2016. *Appendix A. Appendix B* summarizes the comparison of the candidates' performance per topic in two years.

4.0 CONCLUSION AND RECOMMENDATIONS

4.1 Conclusion

Observation from the analysis shows that in ACSEE 2017 results, the overall performance of 152 Commerce subject was good as almost all questions were well performed. Therefore, the majority of the candidates were able to score 35 percent or above in each question. The candidates' good performance can be attributed to the fact that the majority had adequate knowledge of the subject matter, which was composed from different topics, and they also had a better understanding on the requirement of the questions and good mastery of English language.

4.2 Recommendations

In order to improve the performance of the candidates in future, it is recommended that:

- (i) Teachers should use different teaching and learning technics to improve the students' performance in the topic of Contract of Sale. For example inviting guest speakers from the field and giving them more exercises on Contract of Sale.
- (ii) Teachers should guide students on how to answer the questions in essay form (essay writing skills).
- (iii) Teachers should assist students to make self-preparations before examination by revising all the topics in the syllabus so as to avoid incomplete answers and skipping of questions.
- (iv) Students should be advised to read the examination instructions and the questions carefully in order to identify the requirements of the paper in each section and the demand of the questions.

Appendix A

A Summary of the Analysis of the Candidates' Performance per Topic

S/n	Topic	Number of questions	Percentage of candidates who scored an average of 35 percent or above	Remarks
1.	<i>Advertising</i>	1	98.4	Good
2.	<i>Banking</i>	1	98	Good
3.	<i>Business Units</i>	1	91.5	Good
4.	<i>Transport and Communication</i>	1	91.2	Good
5.	<i>Organization and Management of a Business</i>	1	91.2	Good
6.	<i>The Business Office</i>	1	89.3	Good
7	<i>Warehousing</i>	1	88.3	Good
8	<i>Wholesale Trade</i>	1	87.7	Good
9	<i>Production</i>	1	87.6	Good
10	<i>Taxation</i>	1	86.7	Good
11	<i>Stock Exchange</i>	1	84.5	Good
12	<i>Import Trade</i>	1	83.8	Good
13	<i>Insurance</i>	1	80.7	Good
14	<i>Marketing</i>	1	78.7	Good
15	<i>Foreign Trade</i>	1	75.2	Good
16	<i>Contract of Sales</i>	1	37.6	Average

Appendix B

**Comparison Summary of the Candidates' Performance per Topic for
ACSEE 2016 and 2017**

S/N	Topic	2016			2017		
		Number of questions	Percentage of candidates who scored an average of 35 percent or above	Remarks	Number of questions	Percentage of candidates who scored an average of 35 percent or above	Remarks
1.	<i>Marketing</i>	1	97	Good	1	78.7	Good
2.	<i>Production</i>	1	95.1	Good	1	87.6	Good
3.	<i>Stock Exchange</i>	1	94.3	Good	1	84.5	Good
4.	<i>Taxation</i>	1	94.1	Good	1	86.7	Good
5.	<i>Insurance</i>	1	93.3	Good	1	80.7	Good
6.	<i>Business Capital</i>	1	92.2	Good			
7	<i>Banking</i>	1	88.3	Good		98	Good
8	<i>Advertising</i>	1	81.2	Good	1	98.4	Good
9	<i>The Scope of Commerce</i>	1	80.4	Good			
10	<i>Retail Trade</i>	1	74.8	Good			
11	<i>Foreign Trade and Import Trade</i>	1	64.1	Good	2	79.5	Good
12	<i>Warehousing</i>	1	61.4	Good	1	88.3	Good
13	<i>Wholesale Trade</i>				1	87.7	Good

14	<i>Transport and Communication</i>				1	91.2	Good
15	<i>The Business Office</i>				1	89.3	Good
15	<i>Contract of Sales</i>	1	54.2	Average	1	37.6	Average
16	<i>Organization and Management of a Business</i>	1	44.4	Average	1	91.2	Good
17	<i>Business Units</i>	1		Average	1	91.5	Good
18	<i>The Role of Government in Trade</i>	1	28.7	Poor			

