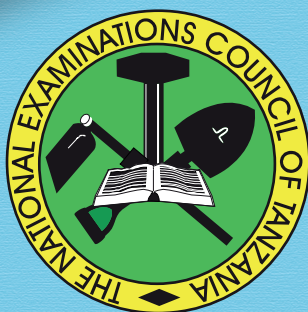


**THE NATIONAL EXAMINATIONS COUNCIL OF TANZANIA**



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

**061 COMMERCE**

# **THE NATIONAL EXAMINATIONS COUNCIL OF TANZANIA**



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**061 COMMERCE**

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## **FOREWORD**

The Candidates' Items Response Analysis Report for the Certificate of Secondary Education Examinations (CSEE) 2017, in Commerce paper was prepared to provide feedback to candidates, teachers, parents, and educational stakeholders on the performance of the candidates. The candidates' responses to the examination question shows what the education system was able or unable to offer to the candidates in their four years of secondary education.

The analysis presented in this report is intended to contribute towards understanding of some reasons behind the candidates' poor or good performance in the Commerce subject. The report highlights some of the factors that made candidates to score high or low marks in the questions. The factors which led the candidates to score high marks include sufficient knowledge and skills of the subject matter, good understanding of the demands of the questions, and proficiency in English language. However, the factors which contributed to the candidates' poor performance in some of the questions include: poor knowledge, failure to identify the demands of the questions and lack of proficiency in English language. The feedback provided will enable the educational administrators, school managers, school quality assurers, teachers and candidates to identify proper measures to be taken in order to improve teaching and learning process hence good candidates' performance in future examinations administered by the Council.

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

Finally, the Council would like to thank all the examination officers, examiners and all others who participated in the preparation of this report.



Dr. Charles E. Msonde  
**EXECUTIVE SECRETARY**

## **1.0 INTRODUCTION**

This report analyses the candidates' performance in Commerce examination for the candidates who sat for Certificate of Secondary Education Examinations (CSEE) in November 2017.

The paper consisted of ten (10) questions categorised into three sections A, B and C. Section A consisted of 2 (two) questions each carried 10 marks. Section B consisted of four (4) short answer questions each carried 10 marks. Section C consisted of four (4) essay questions, each carried 20 marks. Questions in section A and B were compulsory while in section C candidates were required to answer only two questions.

The analysis of examination results showed that, the overall performance of candidates in 2017 was average. A total of 19,409 candidates sat for the 061 Commerce paper in 2017 out of which 8,920 (46.45%) candidates passed. In 2016, a total of 20,513 candidates sat for the examination out of which 8,315 (40.89%) candidates passed. This shows that the performance in 2017 has increased by 5.56 percent.

In this analysis, the candidates' performance is grouped into three categories: good, average and weak and they are represented by different colours. The performance ranges from 65 to 100 percent, is categorised as good and is represented by the green colour, from 30 to 64 percent, it is considered as average performance and is represented by the yellow colour and from 0 to 29 percent, it is considered as weak performance and is represented by the red colour.

This report analyses the performance of candidates in each question by providing the requirements and the reasons behind candidate's performance in a particular question. The analysis indicates the questions which were performed well, those with average performance and those which were poorly done. The samples of extracts of candidates' responses are presented to support the analysis.

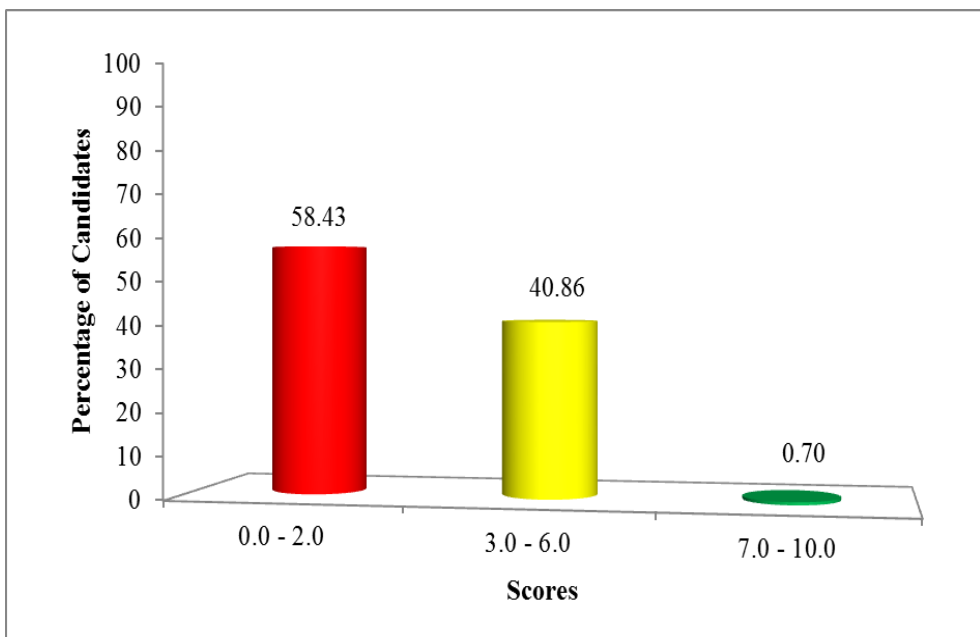
It is expected that, this report will be useful to teachers, candidates and other educational stakeholders for the purpose of improving teaching and learning of Commerce subject.

## 2.0 ANALYSIS OF CANDIDATES' PERFORMANCE IN EACH QUESTION

### 2.1 Question 01: Multiple Choice Items

The question consisted of ten (10) multiple choice items. For each of the items (i) - (x), the candidates were required to choose the correct answer from among the given five alternatives. The items were composed from nine (9) topics, which were; *Management and Organization, Insurance, Retail Trade, Import Trade, Business Units, Marketing, Warehousing, Banking and Production.*

This question was attempted by 19,409 (100%) candidates, out of which 136 (0.7%) scored from 7 to 10 marks, 7,931 (40.86%) scored from 3 to 6 marks, and 11,342 (58.44%) scored from 0 to 2 marks out of 10 marks allotted in this question. The analysis showed that the candidates' performance in this question was average because 41.65 percent scored from 3 marks and above. Figure 1 is a summary of the candidates' performance in question 1.



**Figure 1:** *The candidate's Performance in Question 1*

In item (i), the candidates were required to identify the alternative which is not the major goal of planning in a business.

The correct response was *D, To maintain profits*. However, some candidates opted for *A, To gain economic operation*, as they failed to realise that the aim of any business is to make profit, so it is necessary to consider the activities which are profitable while planning for a business. Furthermore, the candidates who opted for *B, To focus attention on the objectives* were incorrect because without planning in any business it is difficult to attain business objectives.

Other candidates who chose *C, To facilitate control* failed to understand that through planning it is easy to control the business by comparing the performance against expected outcome. Therefore, adjustment can be made in case of any diversion from the objectives. The candidates who opted for *E, To offset uncertainty and change* were wrong since planning in business is used as a guideline for future activities to accommodate uncertainty and changes.

In item (ii), the candidates were required to identify a type of marine insurance policy which does not specify the subject matter insured. The correct response was *C, Floating Policy*. The candidates who chose the distractors failed to understand the meaning of the given policies in relation to the demand of the question. For example, the candidates who chose *A, Time Policy* failed to differentiate floating policy from time policy. In time policy, the insurer covers the loss that may occur within a stated period of time which normally does not exceed a year.

Moreover, some candidates opted for incorrect response *B, Cargo Policy*. These candidates failed to understand that there is no policy specifically termed as cargo policy since cargo are part and parcel of almost all policies. Those who opted for *D, Mixed Policy* failed to realise that the policy covers the risk stated on voyage policy and time policy. Others who opted for *E, Voyage Policy* were not aware that, in a voyage policy a ship is insured for a particular journey.

Item (iii) required the candidates to choose from among the given alternatives the disadvantage of mail order business. The correct response was *A, There is limited range of goods*. In mail order business, payment

and delivery of goods is done through post office, it deals with restricted range of commodities, mostly durable goods and the goods which are not bulk in nature. The candidates who chose for any of the distractors were wrong because all other alternatives presented the advantages of mail order business. For example *B, Middlemen can be eliminated*, is the advantage of mail order business as it reduces cost of employing middlemen to the business. Option *C, Trade is carried out 24 hours*, business can be carried throughout the time. Those who chose option *D, Not necessary to maintain a big shop* failed to realise that, this business is conducted through orders therefore the buyers collect their goods as soon as they arrived at the office. Therefore there is no need for maintaining a big shop, it is the advantage to mail order business. Option *E, No shop assistants are employed* was also incorrect as the nature of the business itself involves much documentations and online communication. This reduces the needs of employing shop assistants. Generally those candidates failed to differentiate the advantages and the disadvantages of the mail order business.

In item (iv), candidates were required to identify the traders who buy goods from abroad in their own name and sell them locally. The correct response was *C, import merchants*. The candidates who opted *A, import commission agents* were wrong because import commission agents are traders who import goods at overseas seller's risk and are paid commission. Furthermore, other candidates chose option *B, imports agents* as they failed to understand term import agents. Those who opted for *D, import broker* did not understand that import brokers, neither buy nor sell the goods but they arrange the deals between the buyer and the seller on commission. This indicates that these candidates lacked skills and knowledge of intermediaries as used in import trade.

In item (v), the candidates were required to identify the uses of a certificate of incorporation document in regarding to the company as a business unit. The correct response was *C, gives a company a legal existence*. The item intended to test the candidates' understandings to differentiate the necessary documents used in the formation of companies.

However, the candidates who opted for *A, governs the relationship of the company with outsiders* were not able to differentiate a certificate of incorporation with a Memorandum of Association. It is a memorandum of



association which governs the relationship of the company with outsiders. Moreover, some candidates who opted for *B, empowers the company to commence business activities* were also wrong because the document which empowers the company to commence the business activities is called Certificate of Trading. The candidates who opted for *D, lays down rules and regulations of the internal organization of a company* were not aware that these are the descriptions for the Articles of Association.

The candidates who opted for *E, invites offer from the public for subscription of shares of a company* were wrong as descriptions present the Prospectus and not a Certificate of Incorporation. The candidates who opted for incorrect response were not conversant on the necessary documents used in the formation of a company.

In item (vi), the candidates were required to identify the correct response by choosing one among the given alternatives on the question which one is not the aim of marketing board. The correct response was *D, Encouraging competition between marketing boards*.

The candidates who opted for item *A, Finding a satisfactory market*, were wrong because marketing boards are formed to assist farmers to find market for their produce. Option *B, Stabilizing prices of agricultural products* was also incorrect as the marketing boards buy the agricultural products from the producers in large quantities at the best possible price as they are not profit oriented. Marketing boards provide storage facilities for the agricultural products bought thus, ensures a steady supply of the commodity all through. Therefore, the candidates who opted for *C, Ensuring steady supply of the commodity all through* failed to understand that the task is also performed by the marketing boards. The option *E, Assisting farmers with collection and storage of their produce* is one of the activities done by the marketing boards, so it is one of the aims for which they are formed.

In item (vii), the candidates were required to identify the type of warehouses which are situated at terminals of railway, air ports and sea ports from the list of warehouses given. Option *A, public warehouse* was the correct answer. Other alternatives presented the types of warehouse but did not meet the demand of the question. The candidates who opted for *B, bonded warehouse*, did not know that bonded warehouses are used to store

imported goods while waiting for import duty clearance. Those who opted for *C, wholesaler's warehouse* or *D, manufacturer's warehouse* failed to understand that two options form *private warehouses*. Private warehouses are owned by individuals and strictly used to store their own goods. Therefore the candidates who opted for *E, private warehouses* failed to differentiate private warehouses from public warehouses.

In item (viii), the candidates were required to identify the specific feature for a special crossing as a type of special crossed cheque from the given options. The correct response was *C, two parallel lines with drawee's name between them*. The item tested the candidates on the types of crossed cheques, as far as the special crossed cheques are concerned. However, some candidates who were not familiar with the types of crossed cheques opted for the incorrect responses. The candidates who chose either *A, two parallel lines with no words between them* or *B, two parallel lines with the words 'and company' between them* were unable to differentiate the features of general crossing from special crossing. The named features from the options are found in general crossing cheques.

The last two options *D, two parallel lines with drawer's name between them* and *E, two parallel lines with endorser's name between them* were incorrect. This was due to the fact that, the drawer is the one who writes the cheque, therefore his/her name never appeared between the two parallel lines instead he/she signs on the bottom right corner of the cheque. Additionally, the endorser transferred the ownership of the cheque to another person, therefore his/her name and signature appears at the back of the cheque not between the two parallel lines.

In item (ix), the candidates were required to identify the principle of insurance which restored the insured to the same position after the event. The correct response was *E, Indemnity*. The candidates were required to be able to relate each principle with the requirement of the item. The candidates who selected *A, Insurable interest* were not aware that this principle is interested with the real owner of the property to be insured who feel the financial loss in case of destruction.

Likewise, the candidates who chose *B, Utmost good faith* did not know that the principle requires the insured to disclose all relevant information and facts about subject matter of insurance and not restored the insured.

The option *C, Subrogation* provides the instructions on how does insurer compensate the insured in case of total loss. Other candidates who opted for *D, Contribution* failed to understand that, contribution prevents the insured from insuring the same matter against the same risk with more than one insurance company because in case of loss the insurers will contribute towards settling the total claim.

## 2.2 Question 02: Banking

This question consisted of 10 matching items composed from the topic of *Banking*. The candidates were required to match the items in **Column A** with responses in **Column B** by writing the letter of the correct response beside the item number to their answer booklets provided. This question tested the candidates' understanding on different banking concepts and terminologies based on types of accounts, cheques and some bank services.

The question was attempted by 19,409 (100%) candidates of which 826 (4.26%) candidates scored from 7 to 10 marks, 7,891 (40.65%) candidates scored from 3 to 6 marks and 10,692 (55.09%) candidates scored from 0 to 2 marks out of 10 allotted marks. Generally the candidates' performance in this question was average since 44.91 percent of all candidates were able to score from 3 to 10 allotted marks. Figure 2 summarises the candidates' performance in question 2.

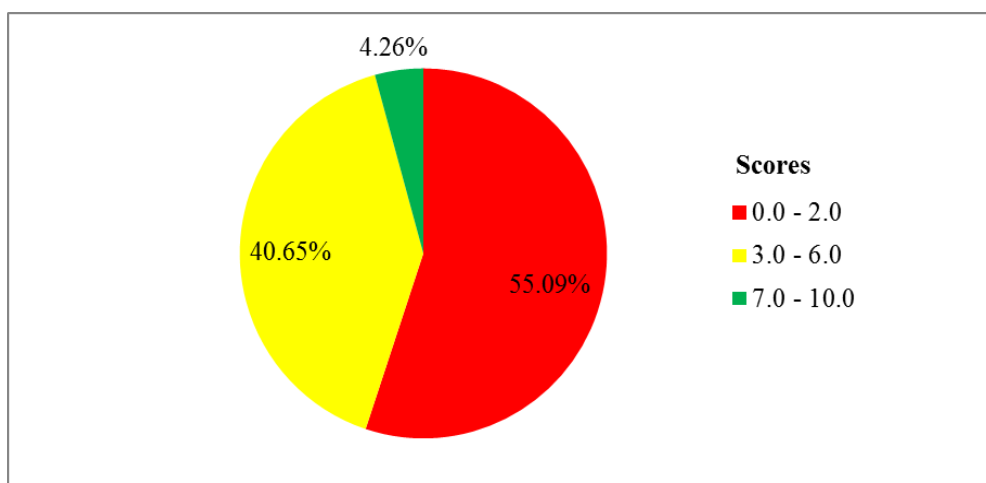


Figure 2: The Summary of Candidates' Performance in Question 2

The candidates who performed well in this question had adequate knowledge on banking topic. They were able to match most of the terminologies and concepts tested with the correct responses.

In item (i), candidates were required to identify the accounts in which the account holders are allowed to overdraw their accounts. The correct response was *K, Current accounts*. This account is most suitable for business dealers, therefore the bank guarantees that the account holders will be able to repay short term debts according to nature of their transactions. Some of the candidates who failed to match the item with the correct response matched it with *C, Bank draft*, *J, bank overdraft*, and *L, Saving accounts*. Those who chose *C* or *J* had partial knowledge of the subject matter hence, attracted by the word “overdrawn” from the stem of the item incorrect response. They failed to understand that the bank draft is a cheque and not an account. Likewise, the bank overdraft is not an account but a situation of overdrawing the current account. Option *L, Saving accounts* was also incorrect because the condition for overdrawing the account is only observed in current account and not in saving accounts. Other candidates matched the item by selecting the options randomly.

In item (ii), the candidates were required to identify the cheques which are issued by the banks in fixed denominations to a person who pays for them in advance. Some candidates selected *B, Dishonoured cheques*, or *D, Crossed cheques*, while others chose *H, Order cheque* instead of *A, Travellers cheque* which was the correct response. The traveller cheques are used much by the businessmen with several trips in and outside the country. They buy such cheques in advance and use them as a means of payment for which the amount supplied against payment by a bank. The incorrect options selected were the all presented different cheques but the candidates failed to link the features for the selected responses with item given.

In item (iii), the candidates were required to identify the name of a cheque which is drawn on a bank and is more readily acceptable as a bank guarantees payments against it. The correct response for the item was *C, Bank Draft*. The item was correctly answered by many candidates. A Few candidates who wrote incorrect response had limited knowledge on cheques as a means of payment were attracted by the option *H, Order cheque*. They

associated the words *a cheque drawn on a bank* from the stem of the question and order cheques in the responses. The order cheque is an open cheque where the payee is named on its face. Other candidates matched the response randomly.

In item (iv), the candidates were required to identify the cheques which are made payable on a later date in future. The correct response for this question was *I, Post-dated cheques*. The item was intended to measure the candidates' ability to differentiate post-dated cheques and stale cheques. Majority of the candidates were able to identify the distinctive features of post-dated cheques as compared to stale cheques, and other cheques hence matched the items correctly. Besides, a few candidates matched the item with *F, Stale cheques* as they were unable to differentiate stale cheques from post-dated cheques. Some candidates wrote *B, Dishonoured cheques*. Probably they thought that, a new cheque prepared to replace the dishonoured one could be the correct response. Some of the candidates selected any response provided that had the word cheque on it.

In item (v), the candidates were required to identify the situation in which the current account holders are allowed to overdraw their accounts. The correct response was *J, Bank overdraft*. Some candidates who understood the meaning of bank overdraft managed to opt for the correct response. On the other hand, majority of the candidates matched it incorrectly with *G, Bank charges*. They were not aware that, the bank charges are the cost of services given by a bank to customers. For example, the cost for the provision of bank statement to a customer, withdrawing charges and other bank services. The charges are made to all account holders in all types of accounts. Other candidates chose option *O, Transfer of cheque*, as they failed to realise that transfer of cheque is about endorsement of a cheque.

In item (vi), candidates were required to identify the situation whereby the payee signs the back of the cheque authorising the drawee to pay the cheque to any one presenting it. The correct response was *M, General endorsement*. The item was set to measure the candidates' knowledge on the types of transfer of cheque. However, some candidates chose option *D, Crossed cheques* or *O, Transfer of cheque*. Those who opted for *O* had an idea of the items but perhaps they could not read the item carefully because it was not interested with the meaning of endorsement instead it was about



the types of endorsement. Those who chose *D* were attracted by the words *payee signs at the back of the cheque* from the stem of the item and some words from the back of the dishonoured cheque like payee's signature. All these resulted from partial knowledge of the Banking topic.

In item (vii), the candidates were required to identify a cheque made payable to a specified person. The correct response was *H, Order cheque*. The majority of the candidates were able to differentiate order cheques from other types of cheque hence, matched with the correct response. Contrary to that, some of the candidates selected *N, A cheque* as they failed to understand the meaning of the term cheque. Other candidates who were attracted by the response *D, Crossed cheque* confused the specifications made on the crossed cheques with that of order cheques.

In item (viii), the candidates were required to identify the name of a written order from an account holder to his bank to pay a specified sum of money to the person named therein or to bearer. The correct response was *N, a cheque*. The item was correctly answered by the majority of the candidates. Besides, some candidates who chose *H, Order cheque*, were wrong because the order cheque is payable to the specified individual. Due to poor knowledge on cheques and the types of cheques, probably they related some words like "written order" from the stem of the item with the word "order" from incorrect response. Other candidates responded by guessing, therefore, they matched with any incorrect response in list B.

In item (ix) the candidates were required to identify a single cheque prepared by the bank from instructions given by the account holder to pay the named people directly to their accounts. The correct response was *E, Credit transfer*. Some candidates incorrectly wrote *O, Transfer of cheque* which involved the transfer of cheque from a holder to another and not direct deposits to creditors' accounts. They misconceived the transfer of ownership of a cheque and payment of debts through bank to the creditors' accounts. Others chose *N, A cheque*, due to lack of knowledge.

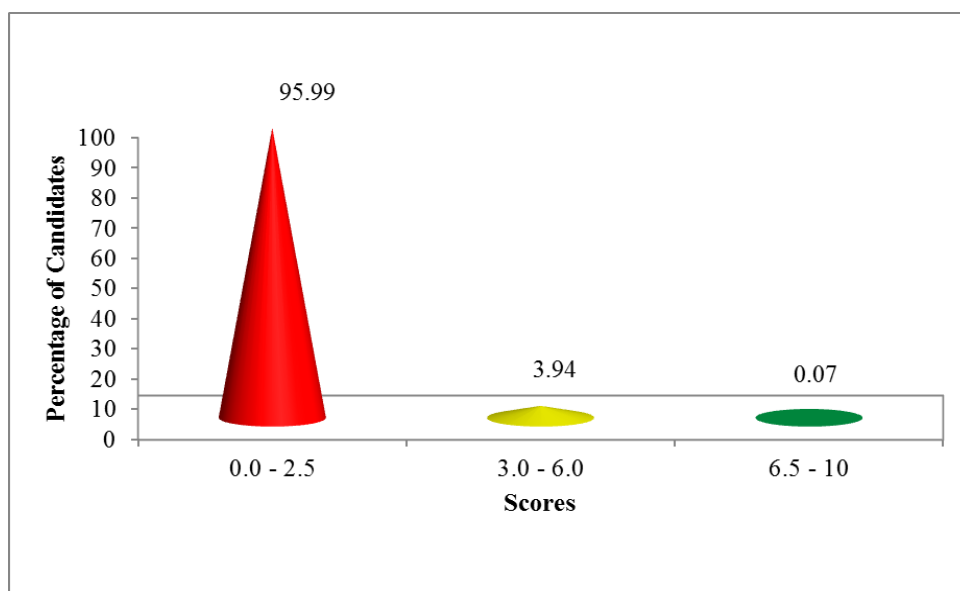
Item (x) required the candidates to identify a cheque that is presented to the bank six months after the date on it. The correct response was *F, stale cheque*. The item tested the candidates' ability on various banking terminologies especially on cheques. Some candidates wrote *I, post-dated*

*cheques*. These candidates confused post-dated cheques from stale cheques. The source of confusion was failure to identify the time of payment.

### 2.3 Question 03: Retail Trade

The question had two parts, (a) and (b). In part (a) the candidates were required to elaborate five disadvantages of departmental stores and in part (b) they were required to explain briefly the benefits of installment selling to the seller by giving five points.

The question was attempted by 19,409 (100%) candidates out of which 18,631(95.99%) scored from 0 to 2.5 marks, 765 (3.94%) scored from 3 to 6 marks and, only 13 (0.07%) scored from 6.5 to 8 marks out of the 10 marks allotted. The highest score in this question was 8 marks as no candidate scored full marks. Out of 95.99 percent of the candidates who scored low marks 11,577 (59.65%) candidates scored 0 mark. The question was poorly performed by the majority of the candidates as shown in figure 2.



**Figure 3:** *The Candidates' Performance in Question 3*

As indicated in figure 3, the majority of the candidates performed poorly in this question. The main reasons for the candidates' poor performance in this question were: failure to observe the instructions like listing down the points instead of elaborating them and giving a brief explanation as

required, only writing the question number, insufficient number of correct points, and misinterpretation of the question.

The majority of the candidates (59.65%) who scored 0 mark, were unable either to elaborate disadvantages of departmental stores or to give a brief explanation on the benefits of installment selling to the seller. These candidates provided incorrect responses to both part (a) and (b). For example, in part (a), many candidates incorrectly interpreted departmental store as a warehouse (store) while others understood it as multiple shops hence responded on the disadvantages of warehouse/multiple shops. Some of them mentioned the importance of warehouse as shown from one of the candidates responses which were, *price stability, steady supply of goods, goods are kept while looking for the market, employment to the people, and goods are prepared for sale*. Other candidates in this category elaborated the disadvantages/advantages of a warehouse instead of departmental store.

Additionally some of the candidates elaborated the advantages of departmental store instead of the disadvantages. They listed the advantages like *loss sharing, time saving, one shopping center, and variety of goods from different producers*. Further analysis revealed that a good number of candidates copied some of the alternatives given in question 1 especially alternatives given in item (iii) which was about mail order business.

In part (b), many candidates failed to differentiate installment selling from cash selling. Therefore, they wrote about the disadvantages of cash sales to the seller like *losing customers as there is no credit, decrease in profit, and failure to meet competition*. Most of the candidates briefly explained the benefits of installment selling to the buyer instead of the seller. Among these candidates some copied some options given in question 1 as responses to this part. Likewise, some candidates did not attempt this part of the question.

On the other hand, the candidates (36.34%) who scored from 1 to 2.5 marks were able to list a few correct disadvantages of departmental stores with inappropriate elaboration in part (a) and mentioned one or two benefits of installment selling to the seller in part (b). Other candidates did not answer part (a) but were able to mention some benefits of installment selling to seller in part (b).

The correct response for part (a) includes problem in supervision and control, need high initial capital, goods are sold at relatively high price, high operation costs, unstable employees' security (unskilled labour), and located in urban areas. The candidates were supposed to respond in part (b) as earn more profit than cash sales, increase in sales and profits, create good relationship between seller and buyers, it reduces storage cost of goods which are sold on deferred payments, reduce risk in goods sold, in case of payments defaults the seller cannot suffer total loss. Extract 3.1 is a sample of poor response in question 3.

3	6 i) Transport	
	ii) buying	
	iii) Advertising	
	iv) Financing	
	v) Storage	
	@ i) It not necessary to maintain a big shop	
	ii) No shop assistants are employed	
	iii) There is limited range of goods	
	iv) Middlemen can be eliminated	
	v) Trade is carried out 24 hours.	

In Extract 3.1, the candidate listed some activities performed by the departmental stores instead of the disadvantages of departmental stores in part (a) and some advantages of mail order business in part (b).

Despite poor performance, 778 (4.01%) candidates scored average/high marks as they were able to elaborate the point of lack of sufficient capital to start departmental stores, share of loss made by one department, located at the urban areas, lack of skilled personnel, high in cost of goods in part (a). They were also able to point out some benefits of installment selling to a seller in part (b) though some of the points were not clearly described. Extract 3.2 shows a sample of a good response from one of the candidates who scored high marks.

### Extract 3.2

3.	i/ Disadvantages of departmental stores.	
	ii/ It may be difficult to get the products in the rural areas compare to urban areas. The departmental stores is not easy to get the products at the rural areas where there is no many buyers.	
	iii/ It causes difficulties in coordinating the stores. As for departmental stores are stores under one roof which sells different products and when comes in coordinating the stores under one roof the difficulties may occur.	
	iv/ It is expensive to own the departmental stores. The expensive that is used in the departmental stores is so large that hence causes difficulties. In terms of the services.	
	v/ It has insufficient resources to sustain it as for the bills of electricity, water to be insufficient and enhance cause disadvantages to the departmental stores.	
	vi/ It requires skills and knowledge for the maintenance of the departmental whereby only few has the knowledge required hence cause the disadvantages.	



3 b/	Five benefits of Installment selling to the seller.	
i/	Seller is able to sell goods in large quantity as the buyer buys the goods with the installment and payment are made later.	
ii/	seller gets benefit of having frequently customers who support her/his business. As when the seller sells goods in installment is able to acquire frequently customers.	
iii/	Seller gets more profit as by selling the goods in installment. The profit gain is different compare as selling of goods in cash.	
iv/	Seller gets benefit to catch up the lower income earners for they buy goods and payment are made later on in a periodical installment.	
v/	seller gets benefit by creating friendship with the buyer who buys goods in his or her shop mostly.	

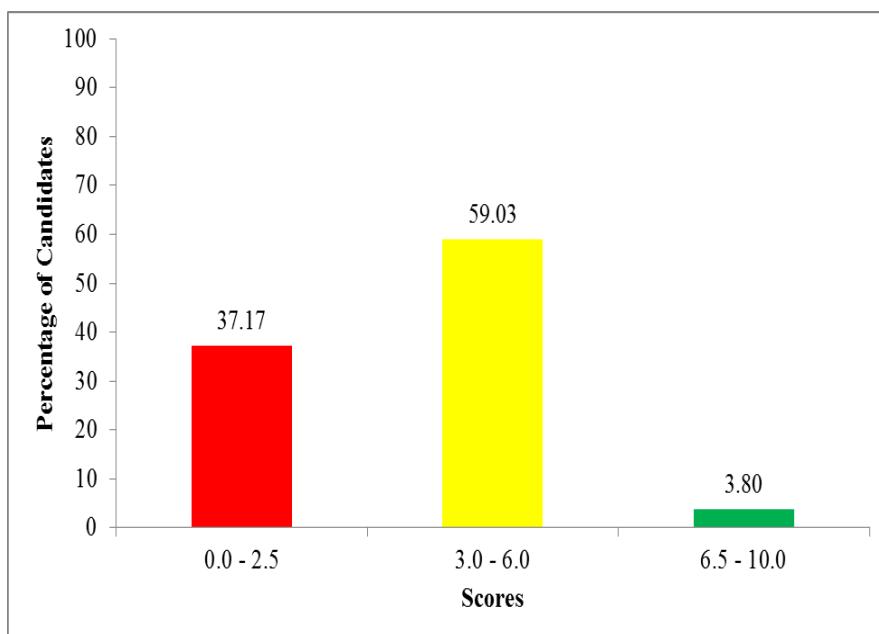
Extract 3.2: shows that the candidate was able provide relatively correct response to part (a) and (b) though, some of the points were partially elaborated.

## 2.4 Question 04: Scope of Commerce and Production

This question had two parts, (a) and part (b). In part (a), the candidates were required to discuss the importance of commerce to a developing country by giving five points. In part (b), the candidates were required to describe five functions of capital as a factor of production.

The analysis showed that the question was attempted by 19,409 (100%) candidates out of which 738 (3.8%) scored from 6.5 to 10 marks, 11457 (59.03%) percent scored from 3 to 6 marks and 7,214 (37.17%) scored

from 0 to 2.5 marks. Figure 4 is a summary of the this performance in question 4



**Figure 4:** *Candidates' Performance in Question 4.*

Figure 4 shows that the question was averagely performed by the candidates as 62.83 percent of all candidates were able to score 3 marks and above out of 10 allotted marks.

The candidates who performed well in this question scored from 6.5 to 10 marks. These candidates were able to discuss the importance of commerce in developing country with almost all the required points correctly in part (a). The points discussed include: facilitating international trade among countries which encourages specialisation, creating utility of the products available in the market through advertising, knowing different modern methods of trade, people may know what makes change in price of a certain commodity, enabling us to be aware of and make best use of auxiliary services and assisting traders to choose the right channel of distribution to sell their goods. Not all of them were able to discuss the required number of points. In part (b), some candidates were able to describe the functions of capital as a factor of production through their descriptions, but some points were not adequately stated. Some of these candidates managed to describe only one or two functions of capital. Many

of them described correctly the points like: it is a source of investments, provision of employment, capital can be used in adding the value of goods and used to pay for other factors of production. Extract 4.1 is a sample of good responses.

#### Extract 4.1

4. a)	The importance of commerce to a developing country are as follows:
	↳ It facilitate trade.
	Commerce facilitates trade through the auxiliary services / aids to trade which includes Banking, Insurance, Transport and communication, Warehousing and Advertising.
	↳ Bridges the gap between the <del>conf</del> producer and consumer
	Commerce bridges the gap between the producer and the consumer through the distribution and exchange of goods between them.
	↳ Employment opportunities.
	Commerce provides employment opportunities in various sectors like in banks, Insurance companies as accountants, actuaries and warehousing holder.
	↳ Varieties of goods and services are enjoyed.
	Through commerce as it distributes and exchange goods and services varieties of goods and services are enjoyed by the people where their needs are met.
	↳ Creates utility.
	Commerce ensures the creation of utility through the production process as people's demands and wants are met and fulfilled well.

4 b)	Functions of capital as a factor of production are as follows:	
	i) It ensures availability of raw materials. For production to take place raw materials are to be there and capital is the factor that ensures availability of raw materials through purchasing them.	
	ii) It ensures payment of wages to the labour. After the working of labour they need motivation which is wages or salaries which is paid through the capital of the business hence encourages production.	
	iii) It helps in starting the business. So as to start a business, capital is an important factor so as to purchase assets and other necessary things for the running of the business or the production process.	
	iv) It helps in meeting all the business expenditures. In the business there are various expenses like transport, insurance and sundry expenses which are to be paid, where as capital helps out to pay for these expenses 'expenditure'.	
	v) It helps in buying the area or land for production to take place. Through capital an entrepreneur is able to buy land which is the main factor for production so as to carry the production process.	

In Extract 4.1, the candidate was able to discuss the importance of commerce in developing country and described the functions of capital as a factor of production.

Majority of the candidates (59.03%) who scored from 3 to 6 marks provided incomplete responses to the question. They understood the demands of the question as they were able to highlight most correct points in all parts of the question but, they failed to elaborate the points as required by the question. In addition, there were some candidates who were able to give less number of correct points with correct explanations to both part (a) and (b). Other candidates in this category were able to provide correct responses to only one part of the question and avoided the other

part. Besides the average performance of the candidates in this question, 37.17 percent performed poorly as their scores ranged from 0 to 2.5 marks. Many of them partially answered part (a) by mentioning some correct points with inadequate explanation, hence attained low marks. Some of them were able to describe not more than one correct function in part (b), their incorrect responses included descriptions on other factors of production such as *labour*, *land* and *entrepreneur*. Others listed the rewards of the factors of production for example one of the candidates wrote the points such as: *payment for land is rent, payment for labour is wages, payment for capital is interest and payment for entrepreneur is profit or loss* instead of describing functions of capital as a factor of production.

The candidates who scored 0 mark did not understand the requirement of the question as they responded contrary to the demands. Some responded by explaining some ways in which the candidates can perform well in their commerce examination, factors that hinder the development of commerce such as *poor transport facilities, lack of capital, low level of technology and unskilled labour*. The other reason was the candidates' ignorance on the importance of commerce as observed from one of the candidates' responses who wrote about the branches of commerce in part (a) and described about the others factors of production with their rewards in part (b). However, other candidates wrote irrelevant points in part (a) and avoided part (b) and vice versa. For example some of the candidates listed the rewards of the factors of production such as shown in the above category. This portrayed misconception of the question. Extract 4.2 illustrates a sample of poor responses from one of the candidates who scored low marks.



## Extract 4.2

4. (giving five points(5)), Discuss the importance of commerce to a -	
developing country.	
i) commerce it help to know well about economics on accountant.	
ii) commerce it help to understand accountant.	
iii) commerce it help to know consider our demands.	
iv) commerce it help to be an business accountant.	
v) commerce it help to controll or be an accountant.	
5. Explain 5 function of capital.	
i) To controll business economics.	
ii) To add some less commerce capital.	
iii) To create business capital.	
iv) To enlarge a business less.	
v)	

Extract 4.2 shows that the candidate mixed up the commerce concept and book keeping concept. Point (iii) in part (a) related to the demand of the question but the candidate failed to present it correctly.

## 2.5 Question 05: Insurance

This question had three parts, (a), (b) and (c). In part (a), the candidates were required to determine the amount of money that Tabinza would receive from the insurer as compensation and to identify with clear explanation the insurance principle applied to compensate him. In part (b), they were required to give three (3) points on how insurance companies make their profits and in part (c) they were required to differentiate co-insurance from re-insurance.

This question is among the poorly performed questions as out of 19,409 (100%) candidates who attempted it 17,456 (89.94%) percent scored from 0 to 2.5 marks of which, 9,480 (48.84%) of the candidates scored 0 mark. Only 1,953 (10.06%) candidates scored from 3 to 8.5 marks whereas, 0.44 percent scored from 6.5 to 8.5 marks out of 10. No one scored full marks.

The candidates who scored low marks portrayed poor understanding of the subject matter. Most of them attempted only some parts of the question especially part (a) and (c) and skipped part (b). In part (a), majority of the candidates failed to state the amount to be compensated and the principle applied. The following are examples of incorrect responses from different candidates: *shillings 20 million less 5 million = 15 million*, while others took the value of the house 20 million and divided by the scrap value 5 million = 4 million and some wrote 20 million plus 5 million = 25 million.

These candidates also stated incorrectly the principle applied to compensate for the loss as utmost good faith, others mentioned the principle of contribution and the principle of indemnity. Most of these candidates stated all principles of insurance instead of being specific to the required principle. This indicates that, they all lacked knowledge on compensation of loss and the principle applied on loss repayment. As the house was totally destroyed and the scrap value is taken by the insurer, then the total amount of 20 million was to be compensated to Tabinza. The principle applied was subrogation which states that in the event of total loss, after an insurer has full settled the claim, he/she acquired the right of the insured property that had been destroyed. Nevertheless, some candidates were able to state the amount to be compensated but failed to state the principle or vice versa.

In part (b), most of the candidates provided incorrect responses which reflected poor understanding of the question. The following are different incorrect responses observed from the scripts of different candidates: some candidates incorrectly, explained on the ways through which a normal business earned profits. For example, *buying and selling of goods and services, selling of business assets, investing parts of their profits* which were contrary to the demands of the question. Other candidates described the internal sources of business capital instead of the ways in which insurance companies make profits. For example one of the candidates explained such source as: *acquiring loan from friends, borrowing from bank and taking part of business profit*.

Further observations from the scripts of the candidates showed that, some candidates thought that, insurance companies may earn profit by selling some of their documents which are used in different steps when taking out

insurance like: *claim forms, proposal forms, cover note, and insurance policy*. These are the documents in the steps of taking out insurance and they are not for sale. A few among them wrote: *cash from the insured who died, selling of scrap values, surrender value* as the way through which the insurance company makes profit. One of their points indicated that, the candidates did not know the right of the beneficiaries after the death of the assured.

A few candidates were able to explain the point of investing the premium to generate more income as a means of earning profit. This part was not attempted by the majority of the candidates in this category.

Many candidates tried to answer part (c), but most of them had interchanged the terms (co-insurance and re-insurance) therefore led to incorrect differentiation. In additional, other candidates' descriptions on co-insurance reflected double insurance, hence differentiated double insurance and re-insurance instead of co-insurance and re-insurance. Other candidates differentiated over insurance and under insurance which was not the requirement of the question. Some of the candidates were able to describe correctly one of the terms either re- insurance or co-insurance but failed to define the other one. Despite the misconceptions, a few candidates were able to differentiate the terms though their descriptions had some discrepancies. Generally the analysis showed that, many candidates were not competent on the topic of Insurance especially on the tested concepts and terminologies. Extract 5.1 shows a sample of poor responses.

#### Extract 5.1

05 b)	Make their profit when all insured contribute their money.	
(i)	Make <del>of</del> their profit by pooling risks together by contributing small amount of money and not all insured can get.	
(ii)	Make their profit by calculate the premium.	

5a)	Value of house - scrap value	
	= 20 - 5	
	= 15	
	∴ Tabinza receive from the insurer 15 shillings	
	The insurance principles' first Contribution this it	
	aiming at the first position when he or she was.	
	ii) <u>Utmost good faith</u> - this enable the insured to	
	tell the truth the insurer about his or her property.	
	like: where he or she live.	
	iii) <u>Insurable interest</u> - this enable the insured to	
	write or to insured all of his or his property and	
	belongs to him or her	
	iv) <u>Subrogation</u> - If he or she get risk should all	
	the scrap to belong to insurer company and	
	should not get any scrap which he or she lost	
	v) <u>Contribution</u> - they supposed to know if the	
	insured was contribute about all days before risk	
	in order to compensate him or her.	
	vi) <u>Proximate cause</u> - to tell the truth about that	
	cause of risk.	

Extract 5.1: shows that the candidate who wrote incorrect figure and principle in part (a) and incorrect response in part (b). The candidate avoided part (c).

A few candidates (10.06%) whose marks ranged from 3 to 8.5 marks, were able to provide correct answer to some of the parts. Most of these candidates were able to determine the amount which Tabinza would receive and gave the clear explanation of the principle of insurance used to compensate him in part (a). The candidates were also able to differentiated co-insurance from re-insurance in part (c). However, a few candidates were able to explain at least one point on how insurance companies make profit in part (b). A good number of candidates responded contrary to the demands of the question in this part while others avoided it. The correct responses to part (b) were as:

- (a) *Insurance companies use money collected as Premium from insured and investing them by buying land and construct their own*

*buildings which are rented to different people or organisation on terms agreed.*

- (b) Companies can make profits by comparing the amount of premium collected from different insured with payment of claims and operation costs of the companies. If the cost of operation is less the premium then the companies make profit.*
- (c) Insurance companies make compensation to insured in case of risk only if the insured does not violate any principles of insurance. Contrary to that, the whole amount insured will be taken as profit to company.*

Extract 5.2 shows a sample of a good response from the candidate who scored high marks.

#### **Extract 5.2**

5	a) Tabitha will receive 20 million from the Insurer Due to the Principle of subrogation which states that any gain out of loss <sup>fully</sup> compensated by the insurance company belongs to the insurer (insurance company). This is done to solidify the principle of indemnity in which one is restored his/her financial position to like was before the occurrence of the loss. Therefore Tabitha got the right amount due to insurance principle of subrogation.	
	b) Insurance companies are companies which offer <sup>compensation</sup> & <del>insurance</del> to its customers against the events insured against happens.	

	b) Insurance companies are companies which offer <sup>compensation</sup> & insurance to its customers against the events insured against happens.	
	How do insurance companies obtain their profit:	
	Insurance companies obtain their profit by taking Total value of the property less premium and expenses they incur. Thus they get profit which is used in various investments. for example agriculture, mining.	
	Insurance companies obtain profit through full compensation to the insured where as they take the scrap value thus profit to the Insurance company.	
	Also, Insurance companies obtain profit through different investments which they invest in thus profit to the insurance companies	
	These are the ways in which the Insurance companies obtain profit	

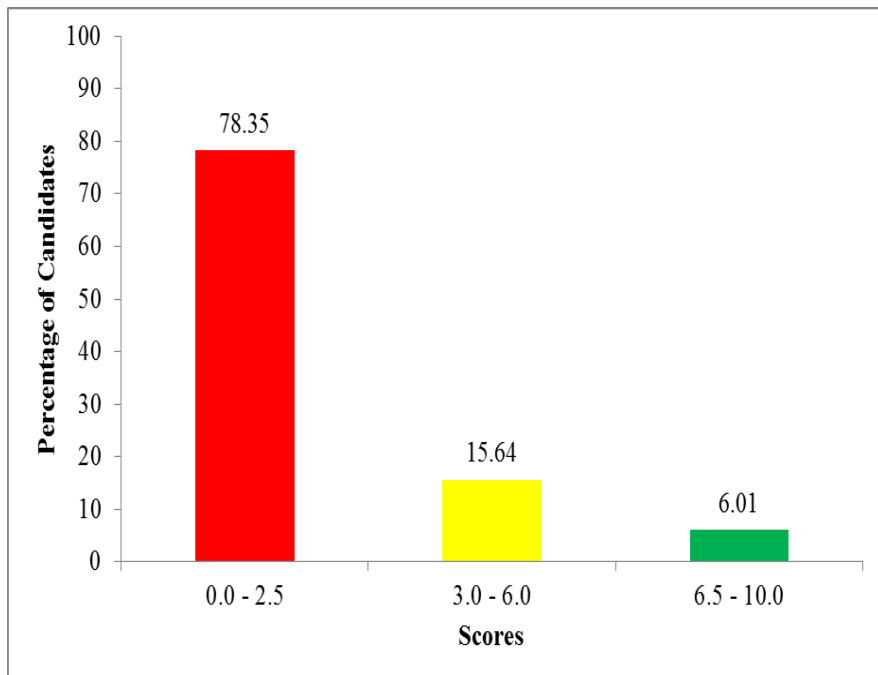
5	c) Co - Insurance - Is the spreading of risk to a number of insurers due to huge value of the property and in the time of compensation if loss occurs all the insurers contribute the sum of money to be compensated.	
	<u>WHILE...</u>	
	<u>Re - Insurance</u> - Is taken by the Insurer Insures himself with another insurance company (insurer). For example Jubilee Insurance insures itself with National Insurance Corporation (NIC)	

In Extract 5.1: the candidate was able to answer correctly part (a) and (c) but partially responded to part (b).

## 2.6 Question 06: Warehousing Management and Stock Administration

The candidates were required to compute the following: (a) Cost of goods sold, (b) Closing stock, (c) Gross profit, (d) Net profit, (e) Working capital, (f) Working capital ratio, (g) Total value of assets, (h) Total expenses for the year, (i) Mark-up ratio, and (j) Margin ratio. The question involved the arithmetic calculations. It intended to test candidates' ability on determining different values as used in business stock administration so that they can be able to monitor movement of goods in a store and avoid shortage.

A total of 19,407 (99.99%) candidates attempted this question of which 15,205 (78.35%) scored from 0 to 2.5 marks, 3036 (15.64%) scored from 3 to 6 marks and 1,166 (6.01%) scored from 7 to 10 marks. The candidates' performance in this question was poor as 78.35 percent scored below 3 marks out of 10 marks. Figure 6 summarises the candidates' performance in question 6.



**Figure 06:** *The Candidates' Performance in Question 6*

Majority of candidates (78.35%) who performed poorly in this question scored from 0 to 2.5 as they were unable to answer correctly most parts of the question. The main reason for poor performance of the candidates was

poor arithmetical skills and incorrect translation of instructions from the question. They failed to use correctly some instructions given from the question especially the instructions about cost of goods sold, closing stock and the net profit. Due to incorrect translation of the instructions, they failed to find the value of most of the required figures because incorrectness of the result in one item resulted into incorrectness of other related items. For example, the cost of goods sold, closing stock, gross profit, net profit, mark-up ratio and total expenses. One of the candidates for example, found the cost of goods sold as  $840,000 \times \frac{75}{100} = 630,000$  but incorrectly added the result to sales to find the cost of goods sold as  $630,000 + 840,000 = 1,470,000$  instead of 630,000. Therefore this result affected the computation of gross profit, net profit and the mark-up ratio.

Additionally, some candidates failed to apply the correct formulae in the computation of most of required figures. For example, in the calculation of gross profit, instead of taking sales less cost of goods sold they reversed the formula. In addition, in order to find the mark-up ratio instead of using the formula  $\text{mark-up ratio} = \frac{\text{gross profit}}{\text{cost of goods sold}}$  they reversed the formula.

Others used the margin ratio formula to compute mark-up ratio hence attained incorrect responses. Likewise in part (e) Working capital, some candidates applied incorrect formula as they assumed that *Working capital* = *current assets* + *current liabilities* instead of current assets less current liability. Some candidates incorrectly attempted only a few parts and left other parts unanswered.

On other hand, most of the candidates who scored from 0.5 to 2.5 marks were able compute correctly either the figure for working capital and net profit, or cost of goods sold, net profit and partially the working capital as they did not show the formula. Extract 6.1 presents a sample of poor responses from one of the candidates with low marks.



**Extract 6.**

6a) Cost of goods sold = opening stock + purchase - closing stock	
90000 - 2000	
Cost of goods sold = 18000	
b) closing stock =	
c) Gross profit = Cost of goods sold - Net sales	
18000 - 635000	
635000 - 18000	
Gross profit = 633200	
d) Net profit = Gross profit - Net profit	
633200 - 20%	
Net profit = 126640	
e) Working Capital = Net profit + owner capital	
126640 + 500,000	
Working capital = 8126640	
f) Total expense value of assets = Trade debtor + cash in hand + Trade creditor	
110000 + 23,500 + 45,500	
Total value of assets = 179000	

In Extract 6.1, the candidate applied inappropriate formulae and failed to compute correctly any of the items.

The candidates with average scores from 3 to 6 marks were able to answer some parts correctly especially part (a), (b), (c), (d), (g) and (h). They were able to observe the instructions in the given data and applied them correctly in part (a), (b), (c), and (d). Some candidates were able to compute the correct figure in part (g) and (h). Moreover, in part (e) and (f) most of the candidates applied correct formulae but failed to identify the correct items involved to form current assets and that for current liabilities. Some of them mixed current assets with fixed assets to find out total current assets. Incorrect figure for current assets caused incorrect response to part (f). However, some candidates failed to attempt part (i) and (j) correctly because they interchanged the formulae.

However, a few candidates (6.01%) who scored high marks (from 6.5 to 10 marks) had sufficient knowledge and skills on arithmetical computation of the tested items. Majority of them were able to answer correctly most of the parts but failed to score marks in part (i) and (j). Some of them were able to apply correct formulae with incorrect data to the two parts. For example in part (i) one of the candidates used the correct formula and incorrect data as

$$\text{Mark-up ratio} = \frac{\text{gross profit}}{\text{cost of goods sold}} = \frac{630,000}{840,000} = 3:4 \text{ this candidate use}$$

$$\text{incorrect use cost of sale instead of } \frac{210,000}{630,000} = 1:3. \text{ However, some of the}$$

candidates were able to score full marks as they were able to compute all the required items correctly. Extract 6.2 is a sample of a good response from one of the candidates who scored high marks.

## Extract 6.2

6. a/	Cost of goods sold
	75% of Sales
	Sales = 840,000
	$\frac{75}{100} \times 840,000$
	$= 630,000$
	$\therefore \text{Cost of goods sold} = 630,000 \text{ £}$
b/	Closing stock
	20% of cost of goods sold
	$20 \times 630,000$
	$\frac{100}{100}$
	$126,000 \text{ £}$
	$\therefore \text{Closing stock} = 126,000 \text{ £}$
c/	Gross profit
	$= \text{Sales} - \text{Cost of goods sold}$
	$840,000 - 630,000$
	$\text{Gross} = 210,000$
	$\therefore \text{Gross profit} = 210,000 \text{ £}$
d/	Net profit
	20% of sales
	$20 \times 840,000$
	$\frac{100}{100}$
	$168,000$
	$\therefore \text{Net profit} = 168,000 \text{ £}$

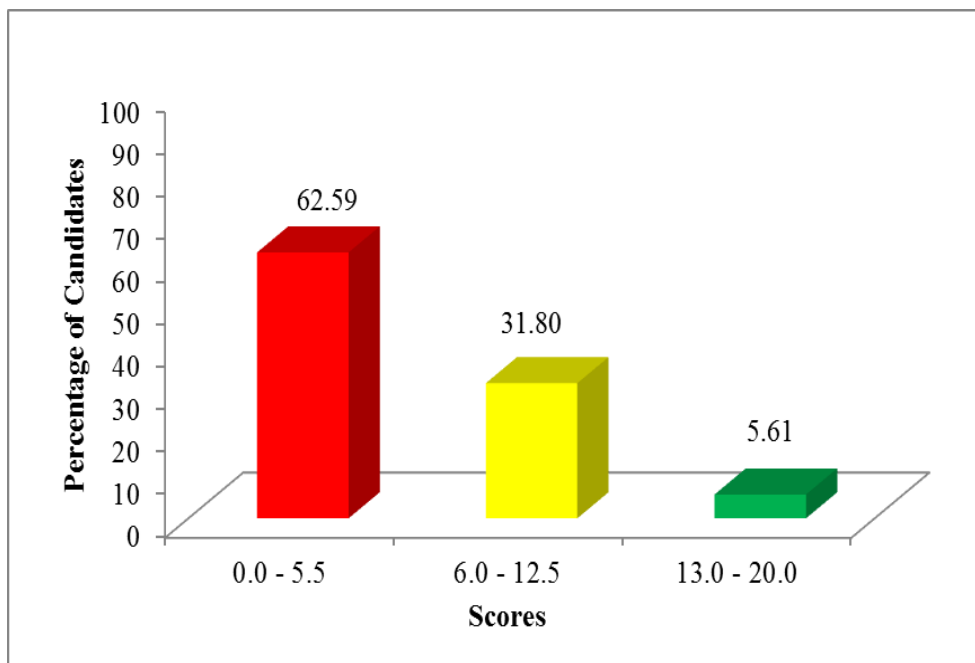
b.	e, Working capital	
	= Current assets - Current Liabilities,	
	<u>Current assets</u>	
	Stock 126,000	
	Trade debtors 110,000	
	Cash in hand 23,500	
	<u>259,500</u>	
	<u>Current Liabilities</u>	
	Trade creditors 45,500	
	$\therefore \text{W.C} = 259,500 - 45,500$	
	<u>214,000</u>	
	$\therefore \text{Working capital} = \underline{214,000}$	
	f, Working capital ratio =	
	<u>Current assets</u>	
	<u>Current liabilities</u>	
	<u>259,500</u>	
	<u>45,500</u>	
	$\therefore \text{Working capital ratio} = \underline{519:91}$	
	g, Total value of assets	
	= Fixed assets + Current assets	
	<u>Fixed asset</u>	
	Lorry 400,000	
	$= 400,000 + 259,500$	
	<u>= 659,500</u>	
	$\therefore \text{Total value of assets} = \underline{659,500}$	

Extract 6.2 shows that the candidate was able to compute all the required items correctly.

## 2.7 Question 07: Marketing

The question had three parts (a), (b) and (c). In part (a) candidates were required to give the meaning of the term branding in marketing with example and, in part (b) they were required to analyse six functions of marketing. In part (c) the candidates were required to describe three disadvantages of using radio as an advertising media.

This question was optional. It was opted by 12,719 (100%) candidates, out of which 7,961 (62.59%) percent scored 0 to 5.5 marks, 4,045 (31.8%) scored from 6 to 12.5 marks and 713 (5.61%) scored from 13 to 20 marks. The candidates' performance in this question was average since 37.41 percent scored from 6 to 20 allotted marks. Figure 7 summarises the candidates' performance in question 7.



**Figure 7:** *The Candidates' Performance in Question 7*

The majority of the candidates (62.59%) who scored from 0 to 5.5 marks had limited knowledge on marketing because most of them were unable to answer the question as required. For example in part (a), some candidates defined grading instead of branding but they gave a correct example for branding. Others defined branding as market research and provided incorrect examples. This shows that, they did not understand the demand of

the question. One of the candidates defined the term branding as used in marketing incorrectly as *a type of industry used to produce soft drinks for example azam industry*. However, some candidates were able to give the meaning of the term branding with example. For example, one of the candidates defined branding as *the process of giving a name, or symbol or combination in order to differentiate them from those of competitors, e.g. Blue Band*.

Further analysis showed that some of these candidates managed to list only one or two functions of marketing out of the required six without explanations in (b). Likewise other incorrect points included in their responses comprised the importance of market like *creation of employment, source of government revenue, improve living standard, creating good relationship among the people, obtaining of foreign currency and economic growth* as the functions of marketing. Also some candidates failed to differentiate marketing from marketing board, hence explained the functions of marketing board instead of functions of marketing. The functions of marketing boards explained by these candidates were *assisting farmers to find better price of their produce, finding satisfactory market to famers and storage facilities* instead functions of marketing. In addition to that, other candidates explained the factors to be considered when locating an industry which are *availability of water, source of power, accessibility, availability of raw materials and labour*. This indicated misconception of the question demands.

Likewise in part (c), some candidates described the advantages of radio as advertising media instead of the disadvantages. For example, the responses from one of the candidates were: *message can reach the targeted people, less cost compared to television and, cover large geographical area*. These points presented the advantages and not the disadvantages. Others pinpointed irrelevant points like: *it reduces the cost of production, it increases wealth, incomplete information, it brings noise, not good for children and it brings conflicts in the society*. Some of these points showed that some candidates had an idea of the radio advertising media but failed to explain them clearly. For example the point of incomplete information could be explained as not suitable for a detailed (long) advertisement. All these responses revealed candidates' incompetence on the tested concepts. Nevertheless, the candidates' score varied according to the number of

correct points given and the clarity of the descriptions. Extract 7.1 is a sample of a poor response.

### Extract 7.1

7.	b)	
		Marketing are all activities necessary for bringing goods and services into the market. there are two types of marketing are primary marketing and secondary marketing. the following are the functions of marketing.
		marketing helps to activities economy. this is one of the functions of marketing, helps to stabilize economy due to pay taxation into their marketing.
		marketing helps to produce and selling of goods. this is one of the functions of marketing, helps to stabilize economy produce and selling of goods into their market.
		marketing helps to create employment opportunities. this is one of the functions of marketing, helps to create employment opportunities among their people in the society.
		Marketing helps to improve efficiency. this is one of the functions of marketing, helps to improve efficiency among their people in the society that produce goods.
		Marketing helps to maintain their local industries. this is one of the functions of marketing helps to maintain their local industries among their people in the society.
		Marketing helps to produce goods for low quality. this is functions of marketing. some marketing are helps to produce goods for low quality.

In Extract 7.1 the candidate explained some importance of market instead of the functions of marketing.

On the other hand, the candidates with average performance (scored from 6 to 12.5 marks) were able to answer correctly part (a) though most of them responded by giving a few number of points than the required. Others mentioned the correct points without explanations. A few candidates managed to provide all correct points in this part. In part (b), some candidates were able to analyse at least two correct functions out of six which were required. Additionally, some candidates managed to analyse all six functions but avoided the other parts of the question. Part (c) of the question was partially answered by the majority of the candidates, as they were able to describe correctly a single point out of three which were required. In addition, other candidates highlighted all three points but, failed to provide exhaustive descriptions to the mentioned points. Likewise some candidates provided the descriptions which did not relate with the correct mentioned points. For example, the observation from some candidates' responses showed that one of the candidates mentioned the correct points which were *lack display of the commodity, some people listen radio at their leisure, anybody can switch off the radio or change the radio station* but they failed to give satisfactory descriptions to the given points. Other correct points were: *it is not possible to make advertising in all radio stations, selective to those with an ability to hear (not suitable for deaf), not all people can afford to buy and run the radio, some radio stations do not cover wide area.*

Some candidates who scored high marks were able to define branding with a correct example in part (a), analysing correct functions of marketing in part (b) as required, though some of their points were not well elaborated. Also there were some candidates who managed to analyse all functions with detailed information in part (b), but were able to describe only one or two disadvantages of using radio as advertising media out of three points require in part (c). A few candidates were able to answer the question correctly in all parts. Extract 7.2 is a sample of good responses.



## Extract 7.2

7.	a) Branding means the process of giving name to a particular product. Example: The coca-cola company produce sodas which are called coca-cola. coca-cola is a brand name of that product.	
	b) Marketing is the process which involves all activities of bringing goods in the market. Market is a place where the buyer and the seller meet to exchange their goods and services. There are two types of marketing, primary marketing and secondary marketing. Primary marketing is the type of marketing which involves buying and selling of agricultural commodities, while secondary marketing is the type of marketing which involves buying and selling of manufactured goods. The following are the functions of marketing: Buying and assembling: Buying involves the choosing the best type of goods and assembling involves collection of goods from different producers. Transporting: this is the movement of goods from the production area to the market firm. Transporting facilitates the movement of goods to where they are needed. Branding: This is the process of giving name to particular products. The name given is called brand name. which it is divided into two Brand mark which this is the part of brand name which cannot be pronounced it's shown by symbols, signs and colours	

76	and Trade mark is the part of brand name which can be pronounced and it has Legal protection.	
	Marketing research: this is the investigation done to get useful information about the certain commodity to be sold in the market. Marketing research is done, in order to know the right channel of distribution, to know the justifiable price, on which good will be sold at the market, the level of competition and to analyse the better method of advertising the good.	
	Financing: is the process of giving credits and money to people involving with marketing in order to meet the marketing costs.	
	sale promotion: this are techniques taken or used by the business in order to increase the sales. In sale promotion involves: can be done by, advertising, Increase the quality of goods, Sponsorship, giving out free samples branding, packing and packing and person selling.	
	To sum up the functions played by marketing are the above which after them the advantages of market will be to the producers by helping them to know price to fix, to know <sup>their</sup> competitors, and increase their sales, to public will be, development of other economic sector, improvement of Life standard and to the customer will help them to know the source of supply the price fixed and to get variety of goods	

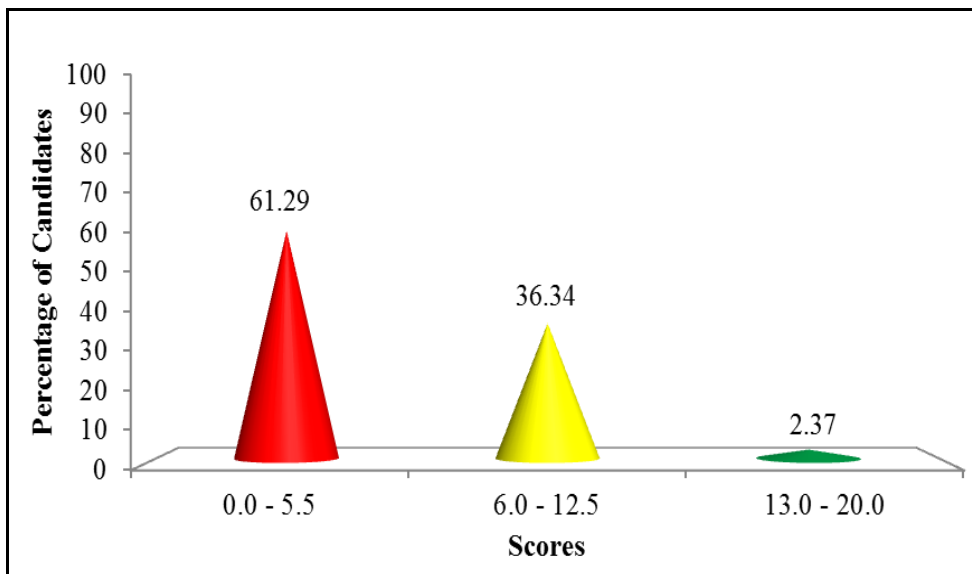
7c.	<p>Advertising media this is the channel used when advertising goods which will reach to the people. advertising is the process of letting people know about the availability of goods. The best advertising media can be known by knowing the social class in which the media appeal, the economic group in which the media appeal, The age group in which the medium appeal, the cost of advertising, the number of people reached by the medium, and the geographical area on which the covered by the medium. advertising using radio have the following disadvantages:</p> <p>Non-convincing: when using the radio the colour can not be seen of the products which can also attract the customer to buy the goods. Also in radio a person can not see how they are available at different sizes.</p> <p>Interruption: In the radio there are many programs so when using radio it causes interruption with other programs.</p> <p>Number of people reached by the media are very few since people are now undergoing changes many use televisions or other communication network to get information of different things happening in the world.</p> <p>In short using radio is not a good media to use since the technology is now advanced so many of the people do not use radios.</p>
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In Extract 7.2, the candidate correctly defined the term branding with example, analysed the functions of marketing and described the disadvantages of using radio as a medium of advertising.

## 2.8 Question 08: Business Management and Organisation

The question had three parts (a), (b) and (c). In part (a) (i) the candidates were required to describe three importance of management in any business organisation and (ii) they were required to differentiate between planning and staffing in relation to management. Part (b) (i) the candidates were required to describe the term organisation, and explain the importance of organisation in the business by giving four points in part (b) (ii). In part (c) candidates were required to identify and state the principle of organisation violated when Mr. Kenge the supervisor, supervised 120 subordinates in his department.

The question was opted by 1,687 (100%) candidates, whereby 1,034 (61.29%) candidates scored from 0 to 5.5 marks, 613 (36.34%) candidates scored from 6 to 12.5 marks and 40 (2.37%) candidates scored from 13 to 19 marks. The general performance of the candidates was average as 38.71 percent of the candidates were able to score from 6 marks and above. Figure 8 summarises the candidates' performance in question 8.



**Figure 8:** *The Percentage of candidates' Performance in Question 8.*

The majority of candidates (61.29%) scored from 0 to 5.5 marks. The main reasons for this performance were inadequate knowledge on the subject matter and failure to understand the requirements of the question. The candidates who scored low marks were at least able to answer only some

parts especially the meaning of the term organisation and differentiation of planning and staffing. Some of these candidates mentioned some importance of organisation to the business but failed explain the mentioned points. Others provided incorrect answers only part (a) (i) by describing the principles of organisation such as *unit objective, authority, span of control, and unity of command* instead of the importance of management to the business. The correct responses in this part included: *applying scientific thinking, accurate planning of different organisation activities and control them to ensure quick and better results, encouraging proper use of the resources, risks minimisation and promotion of business creativity.*

Part (a) (ii) was not attempted by most of the candidates and a few who tried to respond were able to define the term planning but failed to differentiate it from staffing. They failed to realise that planning involves formulation of the business policies while staffing deals with finding of suitable personnel required to carry out different business activities. However, there were some candidates who differentiated the terms correctly as required.

Moreover, some candidates were not able to describe the term organisation in part (b) (i) but incorrectly described it as management. In addition, some candidates explained the principles of organisation like *span of control, unity of command, authority, and unity of objective* in part (ii), instead of the importance of organization to the business. Other candidates explained the steps taken in organisation like *determining business objectives and defining activities to be done* as responses to part (b) (ii). Some candidates copied some sentences from other questions and used them as answers to this part. However, a few candidates were able to describe the term organisation while others mentioned some importance of organisation in business with inappropriate explanation. This reflects poor understanding of the question and lack of knowledge of the topic of *Management of business and organisation.*

Part (c) of the question was avoided by many candidates. A few candidates who responded in this part provided incorrect responses which reflected that they did not understand the demands of the question. For instance, one of the candidates explained the necessary factors to consider when establishing stationary as *availability of power, accessibility, availability of*

customers, raw materials and a skilled person to work at the stationary. The candidate also incorrectly stated the principle violated as the principle of *authority* instead of the principle of span of control. Other irrelevant responses given by the candidates were *difficult to control, planning and staffing, attract theft* and *conflict among the workers*. Some candidates stated all the principles of organisation which was contrary to the demands of the question. A few among them stated the principle of subrogation from insurance topic as the principle violated. These candidates confused the word subordinates and subrogation. Others were able to mention the principle but failed to state it as required. Extract 8.1 shows a sample of poor responses.

### Extract 8.1

8A(i)	Describe three importance of Management in business Organization.	
-	The cheques issued by the banks in fixed denomination to a person who pays overdrafts their account.	
-	The cheques drawn on a bank and is more readily acceptable as a bank guarantees payments against it.	
-	A single cheque prepared by the bank from instructions given by the account holder to pay the named people directly to their account.	
(ii)	A cheque that is presented to the bank six months after the date on it.	
-	A written order from an account holder to his bank to pay a specified sum of money to the person named therein or to bearer.	
-	The payee signs the back of the cheque authorizing the drawer to pay the cheque to any one presenting it.	

B.	Describe the term Organization.									
	Organization is <del>traders</del> who buy goods from abroad in their own name and sell them Locally are called.									
	Four Importance of Organization									
i	Total Value of assets									
ii	Mark-up ratio									
iii	Margin ratio									
iv	Working Capital									
C.	Department Accont.									
	Cash 120									
	<table border="1"><thead><tr><th>Department</th><th>A</th><th>B</th><th>C.</th></tr></thead><tbody><tr><td>120</td><td>40</td><td>40</td><td>40</td></tr></tbody></table>	Department	A	B	C.	120	40	40	40	
Department	A	B	C.							
120	40	40	40							

Extract 8.1 shows incorrect response from the candidate who copied some question as responses to part (a) and (b). The candidate assumed departmental accounting while answering part (c).

The candidates whose scores ranged from 6 to 12.5 marks applied the general concept concerning different field of management in their responses in relation to the demands of the question. Many of them were able to describe some importance of management to the business though some of their explanations were not specific to the business. They were also able to differentiate planning and staffing in part (a). Some candidates answered partially part (b) by providing insufficient number of points or sufficient number of points with partial explanations. The correct responses for part (b) (ii) include *facilitating administration, encouraging creativity and initiatives, facilitating adaptation of new technology, facilitating business growth, reducing wastage of resources, and facilitating implementation of business plans.*

The majority of the candidates answered part (c) by stating different incorrect principles interchangeably. For example some candidates wrote *unity of command, controlling, planning, authority, specialisation and centralisation* which included both the principles of management and that of organisation. They failed to read the question carefully to observe the

necessary information used to determine the correct principle. Despite of such weaknesses, some candidates identified and stated the principle of span of control as required.

However, the candidates (2.37%) who scored from 13 to 19 marks were able answer most parts of the question. The majority were able to answer part (a), part (b) (i) and part (c) but partially answered part (b) (ii). The correctness of the descriptions and the number of correct points given by the candidates determined the candidate's scores in this question. Extract 8.1 shows a sample of good responses from one of the candidates.



Ques

Management ; this refers to all activities done through or by planning, organising, staffing, directing, controlling and coordinating activities in an organisation. All these activities get involved so as to ensure that all activities are done respectively. There are importances of management in the business organisation.

The following are some of the importances of management in the business organisation, namely

Reduce cost ; this is referred as one of the importance of management in a business organisation, management is said to have reduce cost in an organisation because it organises all of its resources and making sure that they are used effectively and efficiently.

Promote creativity ; as employees are all assigned to perform specific duties or tasks it enables them to be creative at the time of performing their duties as they are only concentrated in only one or few works to accomplish.

Reduce risk and loss ; if there were no management of resources that is plan of how much and how many to be used it would have led to loss in an organisation.

As there are importances of management in business organisation, also the functions of management of which there are planning and staffing.

8a)	<p>Planning this refers to as a process of which entails the formation, selection and evaluation of activities required in the attainment of the desired goals and objectives and</p> <p>Staffing; refers to as the process of selecting or appointing workers to perform specific duties, tasks or responsibilities in an organisation.</p> <p>And the above were the importances of management together with difference between planning and staffing as functions of management in business organisation.</p>	
8b)(i)	<p>Organisation; refers to as the combination of all available and present resources in achieving <del>on</del> the settled goals and objectives. There are importances of organisation, namely;</p> <p>Encourage Specialization; one of the importance of organisation is, it assists and encourage specialisation in a business, that is when a person concentrates on a particular duty his or her work becomes more efficient.</p> <p>Prevent losses; also through organising it's simple and easy to prevent and most by avoid losses which may or want to occur in the business as it involves combination of all available resources to attain settable objective or, goals.</p>	

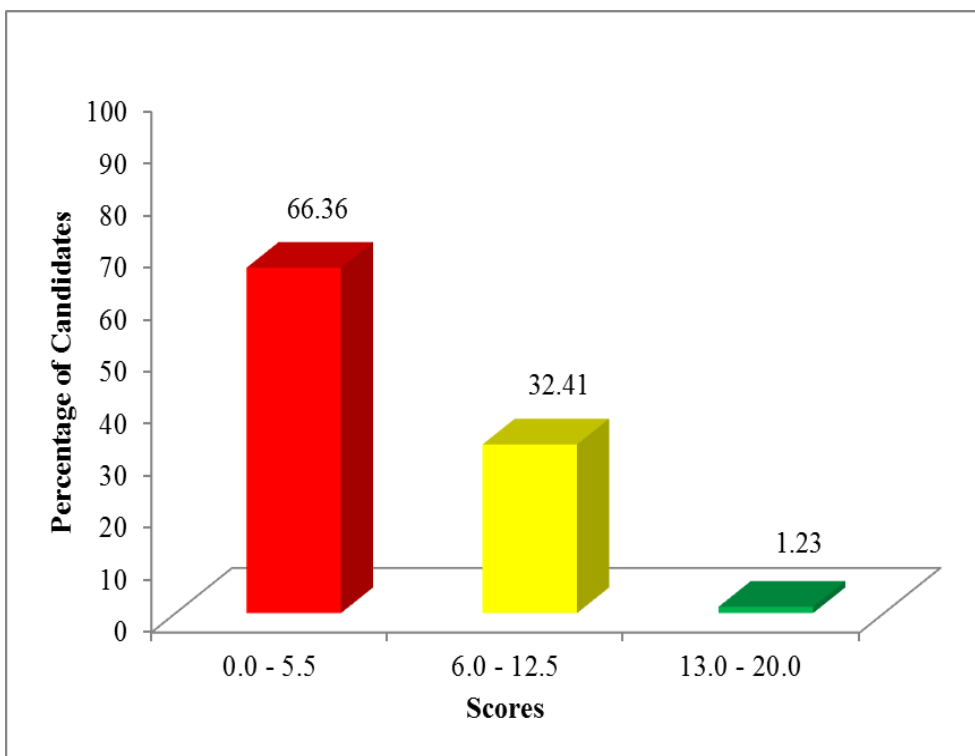
	Leads to profit earning, 'also another importance of organisation is also it leads to profit earning this is because when there are organised activities in a business profit is likely to be gained than when things and activities are not well organised	
	Leads to development of the organisation, 'also as profit is generated the business becomes developed and expand its activities.	
	The above are the importances of organisation as explained. In organisation there are also principle of it - Of which there is a principle of which doesn't	
(8/6/16)	require the management to supervise a large number of employees namely, Span of control; this principle limits the management in the number of employees where by there should be small number of employees so as it can be easy for the management to be able to supervise and control them.	
	Generally the above are the both importance and principle of organisation	

Extract 8.1 shows a sample of relatively correct response from one of the candidates who responded according to the demand of the question.

## 2.9 Question 09: Wholesale Trade

The question had two parts (a) and (b). In part (a), the candidates were required to explain by giving five reasons as to why a wholesaler usually sell his goods on a lower profit margin than a retailer. In part (b), they were required to discuss five services rendered by the wholesaler to the manufacturer.

The question was attempted by 4,557 (100%) candidates, out of which 40 (1.23%) scored from 13 to 19, 1,477 (32.41%) scored from 6 to 12.5 marks and 3,024 (66.36%) scored from 0 to 5.5 marks out of 20 allotted. Generally the candidates' performance in this question was average as 33.64 percent of the candidates scored from 6 marks and above. Figure 9 summarises the candidates' performance in question 9.



**Figure 9:** *Summary of Candidates' Performance in Question 9*

The candidates 3024 (66.36%) who scored low marks in this question had inadequate knowledge of the examined part of wholesaler. A few candidates answered partially in part (a), though most of their responses were incorrect while others skipped this part. Some of these candidates were able to mention the points of direct buying from the manufacturer and bulk buying but failed to link their explanations with selling at low profit margin. Other candidates failed to understand the demand of the question as some of them discussed the effect of wholesalers selling at low price margin to the retailers and the final consumers instead of the reasons for a wholesaler selling at low profit margin than a retailer. Some other incorrect responses noted from the scripts of the candidates include the reasons for eliminating the wholesaler from the distribution channel and the ways which retailers can make profit which was contrary to the demands of the question.

In part (b), most of the candidates discussed at least two correct services out of the required five. Among the incorrect points mixed with the correct points discussed included the services of a wholesaler to the retailers instead of services to the manufacturer. Some candidates were able to point out the correct services such as financing, storage, transportation but they failed to relate their responses with the demands of the question. Other correct responses in this question were: link the manufacturer and the retailers, relieves the manufacturer from a number of risks, and allow the manufacturer to concentrate in production. However, some of the candidates discussed the points which show the comparison of a wholesaler and the manufacturer instead of the services rendered by the wholesaler to the manufacturer. For example one of the candidate's responses were: *manufacturers deals with production while wholesaler deals supply of manufactured goods, manufacturer need machines but wholesaler do not need machine and manufacturer needs high amount of capital than wholesaler*. Extract 9.1 presents a sample of poor responses.

## Extract 9.1

Qa	<p>A wholesaler is a person who buys goods in large quantities from a producer and sells them in small quantities to either the large or small scale retailers. The wholesaler usually sell his goods on a lower profit margin than a retailer due to the following reasons</p> <p>The wholesaler wants to keep the price stable in all spheres. A wholesaler has to sell on a low profit margin so as if a retailer purchase the commodity can also be able to sell to the consumers at a reasonable price with a reliable profit, for if the wholesaler could increase the profit margin, the price will continue increasing till it reaches the final consumer, it becomes high and unworkable then to purchase the commodities.</p> <p>The wholesaler sell his goods on a lower profit margin to enable eliminate inflation. Inflation this is the rise in price of commodities. If a wholesaler decides to increase the profit margin, the retailer will obviously not sell for loss even though he knows the actual price thus the price continues increasing at a high speed that is why the normally sell at a reasonable low profit margin.</p> <p>The wholesaler wants to discourage the <sup>decrease in</sup> demand of commodities. This is because the lower the profit the margin, the lower the price will be to a retailer till the final consumer hence there will be low price in the goods which which lead to the increase in demand for a product and eventually production will increase.</p>	
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9a.	The wholesaler sell his goods on a lower profit margin to enable the other wholesalers and retailers be able to purchase the commodities from the wholesaler. The wholesaler provides a link between the manufacturer and consumer thus there shouldn't be a large interval between their prices though they pass from the wholesalers and retailers, hence if the wholesalers provides a low profit margin it will enable each people to be able to acquire the product.	
	The wholesaler sell his goods at at a lower profit margin so as to enable the steady flow of goods to the consumers and retailers. If the Profit margin could be high Few consumers especially the high income earners would be able to purchase such commodities thus the wholesaler has to ensure the steady flow of goods to each persons and people.	
	Due to the above reasons the wholesaler has to sell his goods on a lower profit margin than the other retailers.	

Extract 9.1 shows the part of incorrect responses from one of the candidates who explained the ways in which a wholesaler makes a retailer to sell the goods at low price margin in (a).

The candidates 1533 (33.64%) who scored high marks explained correctly some of the reasons required in part (a). The reasons for a wholesaler selling goods at low profit margin than a retailer include *high capital* which enables him to buy goods (seasonal products) when the price is low and keep them in his warehouse and supply them at reasonable price throughout the period, a wholesaler enjoys economies of large scale buying, buying direct from the producer, low advertising costs and low transport cost. Some of the candidates provided insufficient number of the required points in this part. The majority responded correctly in part (b) as compared to part (a). They discussed almost all the services rendered correctly. Extract 9.2 shows a sample of good responses from one of the candidates.

## Extract 9.2

9a.)	A wholesaler is a trader who buys goods in large quantities and sells them to other business men in relatively large quantities.	
	A retailer is a trader that buys goods in large quantities, breaks them down into smaller quantities and sells them to the final consumers in smaller quantities. A wholesaler can afford to sell his goods on a lower profit margin than a small scale retailer based on the following reasons.	
9a.)	ing reasons. A wholesaler has large scale economies of buying. A wholesaler buys goods directly from the manufacturers at a low high quantity. This means that the wholesaler gets economies of large scale buying hence the goods bought are at a lower price. This enables a wholesaler to sell goods at a lower profit margin than retailers because retailers cannot afford to buy directly from manufacturers so it is harder for them to get economies of large scale buying from wholesalers like that they would have got from producers.	



	A wholesaler has a large market for goods.	
	A wholesaler has better advertising facilities than <del>to</del> retailers. This enables them to have a wide market share. This assures him of a profit and it's <del>also</del> encouraging to sell at a lower profit margin which attracts more customers. This is not so with retailers which have a smaller market.	
	A wholesaler deal with a large choice of goods for the with a large choice of customers. A loss on one commodity can be compensated by a profit in another commodity. This is not so with retailers whose range of commodities is lesser when compared with a wholesaler, especially general wholesalers.	
	Wholesalers can also be agents of manufacturers and this enables them to have lower costs of items because the goods are brought straight from the industry under the ownership of the supplier. Wholesalers, in this way, can afford to sell at a lower	
9a)	profit margin than the retailers who mainly act on their own accord.	
	Wholesalers also mainly deal with branded goods. Branded goods are of less trouble in selling because they are well known by the <del>supplier</del> customers. This reduces the amount of money used in marketing the goods hence enable the wholesaler to sell the goods at a lower profit margin. Retailers on the other hand, have a lot of expenses to incur like transporting the goods to their premises. This hinders him to sell goods <del>to</del> on a lower profit margin since the expenses have to be met and they are charged onto the selling price.	

Conclusively, the wholesalers are more advantageous in buying at lower prices, lower advertising expenses, having direct supply from ~~to~~ manufacturers, as well as having a larger market. The retailers have more expenses like transport, smaller markets, high lower choices of goods and indirect access to manufacturers.

9b) The manufacturers are the producers of the goods while the wholesalers are the traders who buy in large quantities and sell the goods to other businessmen in relatively large quantities. Wholesalers serve manufacturers in many ways<sup>exp</sup>. The following are the services offered by wholesalers to manufacturers.

Wholesalers offer ready market for the goods of the manufacturers. The manufacturers produce goods which are readily bought by the

wholesalers who buy in large quantities. This is how the wholesalers enable production to take place continuously.

Store goods in the wholesalers' warehouses. The wholesalers store the bought produce in their warehouses for as long as necessary. This reduces costs of the producers to enable them to engage fully in production.

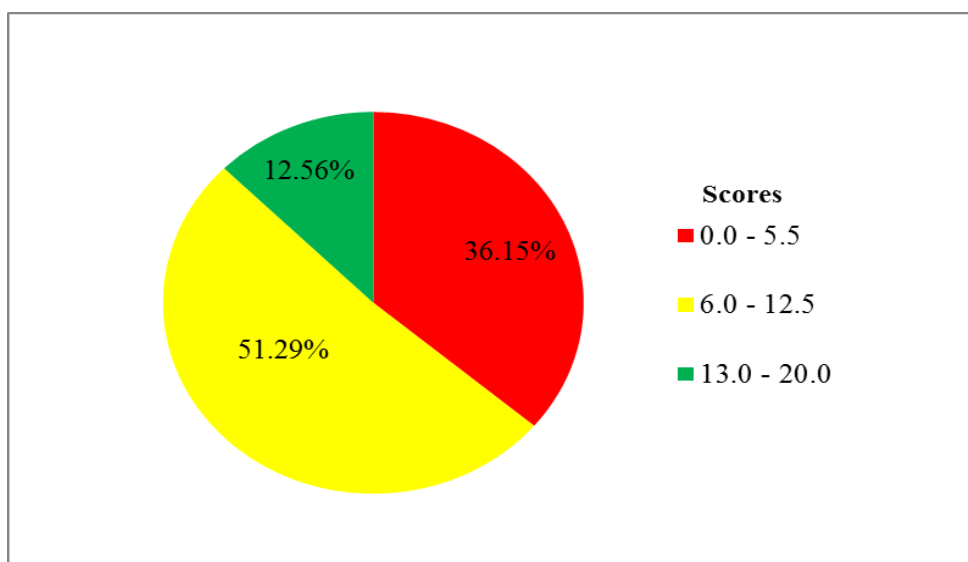
	Wholesalers offer advertising services to the manufacturers. The people (final consumers) or even retailers are exposed to the goods produced by the manufacturers through the wholesalers since they don't have direct access to the manufacturers. This reduces the cost of advertising to the manufacturer and widens market for his goods.	
	Wholesalers transport goods on behalf of the manufacturers. This way is how the wholesalers reduce the costs of the manufacturer since the wholesalers have their own transport facilities. This enables the manufacturer to be engaged fully in production.	
	Wholesalers carry out market survey for the manufacturer. A wholesaler is like a distributor to the manufacturer. Since he is in direct contact with the market, market survey may be carried out by him by giving out samples and he can even ask other retailers to assist him. This enables the manufacturer to know the choices of the consumers. It enables him to increase the quality of goods and even make right choices when about to start a business.	
	Conclusively, the wholesaler provides many services like transport, advertising, storage, market-survey and ready market for the manufacturers. This enables them to be able to continue with production.	

In Extract 9.2 the candidate was able to give the reasons for a wholesaler selling at low profit margin than a retailer and discussed the services rendered by a wholesaler to the manufacturer.

## 2.10 Question 10: Transportation

This question consisted of two parts (a) and (b). In part (a) the candidates were required to explain the roles of transport to the development of the country. In part (b) they were required to elaborate two advantages and three disadvantages of water transport.

The analysis showed that the question was attempted by 18,332 (100%) candidates, out of which 2,303 (12.56%) scored from 13 to 20 marks, 9,402 (51.29%) scored from 6 to 12.5 marks and, 6,627 (36.15%) scored from 0 to 5.5 marks. The candidates' performance in this question was average since 63.85 percent of the candidates scored from 6 marks and above out of 20 allotted. Figure 10 summarises the performance of candidates in this question



**Figure10:** *The Candidates' Performance in Question 10*

A few candidates (12.56%) performed well in this question. They were able to explain the roles of transportation to the development of a country as required in part (a) and elaborated the advantages and disadvantages of water transport in part (b). However some of these candidates were not able to exhaust all the required roles in part (a), many of them were able to explain at least three roles out of the required five. *Like mobility of labour, creation of place and time utility, specialisation and division of labour, improving peoples' living standard and the growth of other*

*auxiliary services*. Furthermore, the analysis showed that some candidates provided correct points but some among the points were not well explained. For example, increase of mobility of labour and capital were partially explained by the majority of the candidates. The correct explanation was:

*Transport increases the mobility of labour and capital; transport is taken as an instrument of opening up new land which creates opportunities for investment of capital in the newly opened parts of the country. It makes possible for people to migrate from one place to another searching for investment opportunities and jobs hence, improve the country development.*

Part (b) was correctly answered by most of the candidates in this category. The candidates elaborated the advantages and disadvantages of water transport as required. However, there were some candidates who responded on either the advantages or disadvantages. The variation of the candidates' scores depended on the clarity of their explanations and the number of correct points given. Extract 10.1 is a sample of good responses.

## Extract 10.1

10a	<p>Transportation refers to the Movement of goods, services and people from one place to another. Transport has a lot of role in developing of a country like Tanzania. Therefore the following are the roles of transport in <del>Tanzania</del> development.</p> <p><b>Widens Market.</b> Presence of transport help to distribute the services and goods offered by producers in a country where as this enable them to sell their products. World wide example Toyota company in Japan is able to sell its cars in Tanzania due to presence of transport.</p> <p><b>Provide employment opportunities.</b> Presence of transportation facilities in a country provides the people with employment opportunities like drivers, pilots and captains who control transport units of Carriages. Hence enable one to improve living standards.</p> <p><b>Promotes international trade.</b> Presence of transport facilities helps in promoting international trade among countries where they can exchange what they have with what they don't have by moving them using aeroplanes, cars, lorries or even ships which helps to satisfy human needs.</p> <p><b>Enables bulky movement.</b> Presence of transportation unit in a country helps movement of a lot and heavy goods from one place to another to be easy. example ships can transport heavy machines over a long distance which would have been impossible without use of transport means.</p> <p><b>Increase production.</b> Presence of transport facilities in a country helps to improve and increase the quality and quantity of production since the producer is assured of market for his goods at</p>	
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he can produce even surplus which can be transported to other countries in need of the good.

In conclusion, Transport has a lot of benefits to a country like Tanzania but it faces a lot of problems like inadequate skills and technology, highway robbery and poor infrastructure. Therefore the government should promote transport by improving transportation systems.

10b Water transport refers to the movement of goods, services and people on water. This involves vessels like ships and boats, which have different advantages and disadvantages as follows:

Enables movement of bulky goods. Movement of bulky goods like coal is easily done by water transport since it offers space and weight for a lot of goods which are of both heavy and light over distance unlike road and air transport which do not favour movement of bulky goods.

It is cheap for long distance. Movement of goods over long distance by sea is more cheaper since the ships have low freight charges unlike using air transportation which is very expensive for transportation over long distance. Example: movement of cars from ~~China~~ Japan to Tanzania is cheaper by ship than using cargo aeroplanes.

It is not suitable for urgent and perishable goods. Since transporting is very slow this ~~causes~~ hinders very urgent and perishable goods to be transported in it hence if these goods are transported using ships, goods like food products like vegetables and fruits will be spoiled due to staying

10b.	For along time in the ships.	
	It only serve areas with water bodies.	
	transporting goods by using ships is done on areas which access water bodies hence hindering the provision of its services in areas which do not have water bodies. Example countries like Congo and Uganda are land locked countries.	
	It is highly affected by weather condition. The transportation of goods by using ships can highly be affected by weather changes. Since provided there is bad weather in the ocean this may cause delay in deliveries or even damage of the goods as these ships may suffer accidents of sinking.	
	In conclusion to this water transport bring about international understandings between countries since they can cooperate in different activities like trade example Tanzania and China	

Extract 10.1 shows a sample of a relatively correct responses from one of the candidates who explained the roles of transport to the development of the country and elaborated the advantages and disadvantages of water transport.

Further the analysis showed that 9,402 (51.29%) candidates had average performance. Most of those candidates were able explain some of the roles of transport correctly in part (a) and some answered part (b) only. Besides, some of the candidates highlighted the correct points in part (a), but failed to provide correct explanations to some of the points. For example, they failed to link the point of improving the living standards of the citizens with the demands of the question. One of the candidates wrote *transportation help to improve the living standards because people can go to any place* instead of explaining it as it improves the living



standards because it provides employments to the citizens and through employment they earn income, hence improvement in living standards.

The candidates (36.15%) whose scores ranged from 0 to 5.5 marks had inadequate knowledge on the subtopics examined from the topic of Transportation.

The candidates who scored 0 mark (3.73%) absolutely failed to meet the requirements of the question. Such candidates provided irrelevant responses while answering the question. For example, in part (a) some candidates explained factors to be considered when choosing the mode of transport such as, *nature of the goods, cost of transport, speed and urgency, distance and terminal* instead of roles of transport to the development of the developing country. Other candidates explained types of transport such as *land transport, water transport and air transport*. Likewise, a few candidates explained the unit of carriage instead of the roles of transport. Also the majority of them attempted only part (a) of the question. Some candidates who attempted part (b) responded on the advantages and disadvantages of pipeline transport, or road transport instead of water transport. A few of them copied some statement from question 1 and 2 as responses to this question.

The candidates whose marks ranged from 0.5 to 5.5 marks showed some weakness on their responses as they mentioned a few correct points but failed to provide correct explanation in both part (a) and (b). However, many of them tried to answer part (b) and they were able to elaborate either the advantages or disadvantages or one correct point on both sides. The candidates who attempted part (a) pinpointed some correct points with unrelated explanations. For example, the point of price stability, they explained it as *it enables people to buy goods at low price* but they failed to explain how. Transportation facilitates goods and services to reach where they are needed on time, therefore reduces shortage of goods in the market hence price stability. Extract 10.2 is a sample of candidates' poor responses.

## Extract 10.2

109	<p>Explain five roles of transport to the development of a country.</p> <p>Transportation; Refers to the process of transferring goods <sup>or people</sup> from one place to another by using unit of carriage for example like cars, buses, taxis, train, ships and others. Following are the roles of transport to the development of a country:</p> <p>Ways; Also ways can be roles of transport for example if there is way can allow unit of carriage like buses, cars to transfer goods from one place to another place.</p> <p>Unit of carriage; Also unit of carriage can be the roles of transport for example there must be unit of carriage like cars, buses, taxis in order to transferring people or goods from one to another.</p> <p>Method of propulsion; Also method of propulsion must over come in transport for example there must have people in order to travel for one place to another.</p> <p>Terminal; Also terminal can be the one of the roles of transport for example terminal must located in transport in order to take another people in terminal ready for travelling.</p> <p>Security; Also security can be the roles of transport a traveller must look security of a transport for example security made traveller to choice good transport to travelling from one area to another area.</p> <p>conclusive speaking; Also transportation have many roles inside for example like Distance, Flexibility and others.</p>	
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In Extract 10.2, the candidate explained the elements of transport with exception of the point of security instead of the roles of transport to the developing country.

### **3.0 ANALYSIS OF CANDIDATES' PERFORMANCE PER TOPIC**

The CSEE Commerce paper had 10 questions which were set from 13 topics. The analysis shows that out of 13 topics examined, 10 topics had average performance. Those topics were *Transportation, The Scope of Commerce and Production, Banking, Business Management and Organisation, Marketing, and Wholesale Trade* of which the percentage of the candidates passed were: 63.85, 62.83, 44.91, 41.56, 38.71, 37.41 and 33.64 respectively. The topics tested in question 1 had also average performance.

Furthermore, the analysis showed that 3 topics had weak performance. The topics were: *Stock Administration, Insurance and Retail Trade*. The percentage of the candidates who passed on those topics was 21.56, 10.06 and 4.01 respectively. This indicates that, many candidates scored low marks in these topics. The summary of the candidates' performance in each topic is attached in the Appendix.

The reasons for the average performance in the mentioned topics include candidates' partial knowledge and skills of some examined topics. They were able to answer some questions correctly but others were partially answered.

Nevertheless, the poor performance in three topics which were tested in question 3, 5, and 6 showed that, the candidates had poor arithmetical skills, insufficient knowledge and skills, misinterpretation of the questions and un proficiency English language. For example, in the topic of *Stock Administration*, most of the candidates failed to interpret the given data and apply the correct formulae to compute the given items as they were poor in simple arithmetic.

### **4.0 CONCLUSION**

The analysis of the candidates' performance in CSEE 2017 Commerce subject showed that, the overall candidates' performance was average since 46.45 percent of the candidates passed. Most of the questions were averagely performed. The candidates who failed to score high marks had

inadequate knowledge and skills that hindered them to answer the question as required. Poor mastery of the English language was another problem which made the candidates fail to understand the demands of the questions and to describe/explain their responses.

## **5.0 RECOMMENDATIONS**

In order to improve the performance of the candidates in examinations administered by NECTA in future the following are recommended:

- (i) More emphasis should be put on the topics with weak performance especially *Stock administration, Insurance and Retail Trade*. For all the topics which involve computations, teachers should guide candidates on how to identify the data that are to be involved in the questions given and the correct formulae. More exercises/tests should be given to familiarise candidates with different tasks before they sit for their final examination.
- (ii) Teachers should help the candidates build self-motivation that will make them use personal initiatives to work on the challenges they face in their learning process to achieve their goals.
- (iii) Teachers should help the students to build up the culture of reading different commercial books, business newspapers, magazines, journals and getting access of internet facilities so as to broaden their knowledge and skills. This will also help them to improve English language vocabulary.
- (iv) Teachers should guide the candidates on how to identify the demands of the questions and how to link such knowledge with the demands of the questions.
- (v) Teachers should identify slow learners and fast learners in their classes and form strong group discussions comprising both candidates character as the way to assist the low performers.

**THE ANALYSIS OF CANDIDATES' PERFORMANCE PER TOPIC**

<b>S/n</b>	<b>Topic</b>	<b>Question Number</b>	<b>Percentage of Candidates who Scored an Average of 30% and Above</b>	<b>Remarks</b>
1	Transportation	10	63.85	Average
2	The Scope of Commerce and Production	4	62.83	Average
3	Banking	2	44.91	Average
4	Business Management and Organisation, Insurance, Retail Trade, Import Trade, Business Units, Marketing, Warehousing, Banking, and Production	1	41.56	Average
5	Business Management and Organisation	8	38.71	Average
6	Marketing	7	37.41	Average
7	Transportation	9	33.64	Average
8	Stock Administration	6	21.65	Weak
9	Insurance	5	10.06	Weak
10	Rrtail Trade	3	4.01	Weak

