



THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY  
NATIONAL EXAMINATIONS COUNCIL OF TANZANIA



**STUDENTS' ITEM RESPONSE ANALYSIS REPORT  
ON THE FORM TWO NATIONAL ASSESSMENT  
(FTNA) 2022**

**COMMERCE**



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**061 COMMERCE**

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## **FOREWORD**

This report presents Students' Items Response Analysis (SIRA) on Form Two Commerce National Assessment which was conducted in November 2022. This report aims to provide feedback to all educational stakeholders on the factors that contributed to the students' performance in Commerce.

The Form Two National Assessment (FTNA) is a formative evaluation which intends to monitor students' learning in order to provide feedback that teachers, students and other educational stakeholders can use to improve teaching and learning respectively. This analysis shows justification for the students' performance in the Commerce subject. The students who attained high scores had ability to interpret the needs of question and sufficient knowledge of subject matter and interpreted the question correctly. However, students who scored low marks faced difficulties in responding to the questions due to their insufficient knowledge of the tested concepts.

The report will help students to identify strengths and weaknesses for them to improve learning before sitting for their Certificate of Secondary Education Examination (CSEE). It will help teachers to identify the challenging areas and take appropriate measures during teaching and learning.

The National Examinations Council of Tanzania (NECTA) expects that the feedback provided in this report will shed light on the challenges for which education stakeholders should take proper measures to improve teaching and learning the Commerce subject. Consequently, students will acquire knowledge, skills and competence indicated in the syllabus for better performance in future assessments and examinations.

The Council appreciates the contribution of all those who prepared this report.



Dr. Said Ally Mohamed  
**EXECUTIVE SECRETARY**

## 1.0 INTRODUCTION

This report presents the analysis of students' performance in Commerce subject for the Form Two National Assessment (FTNA) which was conducted in November, 2022. The Commerce paper consisted of ten (10) questions, organized in sections A, B and C. Section A consisted of ten (10) multiple choice items composed from various topics and five (5) matching items from one topic. This section carried 15 marks. Section B, consisted of seven (7) short answers questions which carried 70 marks and section C which consisted of one (1) essay question carried 15 marks. The students were required to answer all questions from all three sections.

A total of 74,426 students sat for the Commerce Form Two National Assessment (FTNA). Out of these students, 37,219 (50.27%) passed and 36,821 (49.73%) failed. However, the results of 386 students were withheld due to various reasons and these students were included in the analysis of student's performance per question. The FTNA 2022 performance has increased by 3.88 per cent compared to the FTNA 2021 whereby a total of 35,786 (46.39%) students passed and 41,351 (53.61%) failed. The results are summarized in **Table 1**.

Year	Grades	A	B	C	D	F
2021	Number of students	193	1131	11,172	23,290	41,351
		0.25%	1.46%	5.91%	20.46%	45.79%
2022	Number of students	2,624	3,694	13,161	17,740	36,821
		3.54%	4.99%	17.78%	23.96%	49.73%

**Table 1:** Students' performance in Commerce FTNA 2021 and 2022

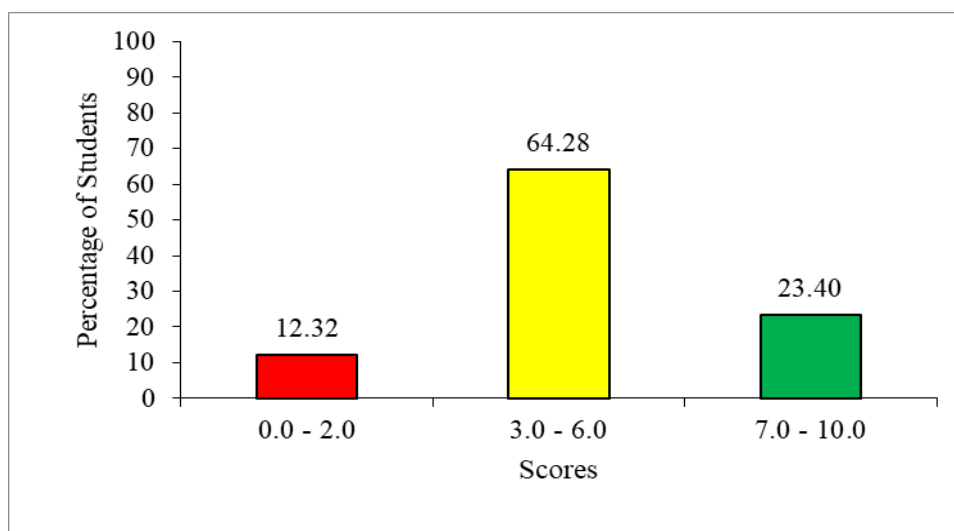
The students' performance in this report is categorised as good, average and weak. It is considered good if the students scored from 65 to 100 per cent, average performance if they scored from 30 to 64 per cent and weak performance if they scored from 0 to 29 per cent. Three colours are used to denote these categories. Green colour presents good performance, yellow present average performance and red presents weak performance.

## 2.0 ANALYSIS OF THE STUDENTS' PERFORMANCE ON EACH QUESTION

### 2.1 Question 1: Multiple Choice Items

The question had ten (10) multiple choice items (i) – (x). Each item carried 1 mark, making a total of 10 marks. The students were required to choose the correct answer from the five given alternatives in each item. The items were composed of various topics which are *Commerce Basics*, *Economics Basics*, *Production*, *Transportation*, *Entrepreneurship*, *Warehousing Management* and *Domestic Trade*.

The question was attempted by all 74,426 (100%) students, out of whom 17,418 (23.40%) scored from 7 to 10 marks, 47,841 (64.28%) scored from 3 to 6 marks and 9,167 (12.3%) scored from 0 to 2 marks. **Figure 1** summarises the student's performance on Question 1.



**Figure 1:** The percentage of students' performance on Question 1

**Figure 1** shows that, the students' general performance on question 1 was average since 47,841 (64.3%) of the students scored between 3 to 6 of allocated marks.

In item (i), the students were required to identify the type of trade conducted by Mtokambali from Katavi region a trader who deals with buying beans in bulk from different regions in Tanzania and sell them in Katavi.

The item tested the students' understanding of the types of trade. The correct response for this item was *B: home trade*. The students who opted for this item had sufficient knowledge on the types of trade. They understood that home trade is the type of trade carried out within the country's boundaries. The students who opted for *A: retail trade*, were wrong because retail trade is the practice of buying goods in large quantities from wholesalers and selling them in small quantities to the consumers. Moreover, the students who opted for *C: foreign trade*, failed to realise that, foreign trade involves the exchange of goods and services between two or more countries. Furthermore, students who selected *D: import trade*, failed to realise that import trade is one of the types of foreign trade which deals with buying goods beyond the borders of a country.

In item (ii), the students were required to identify the feature that is not on a normal demand curve.

The item was set to test the students' understanding of the features of a normal demand curve. The correct response was *D: the curve shows that at a higher price large quantities are demanded*. The students who opted for this response were aware that, a normal demand curve slopes downward from left to right. This indicates that the higher the price the lower the quantity demanded and the lower the price the higher the quantity demanded. The students who opted for *A: the curve slopes downward from left to right*, *B: the curve has negative slope* and *C: the curve shows that at a higher price lower quantities are demanded* were wrong as all of the choices are the features of a demand curve.

Item (iii), was set to test the students' ability to identify types of goods whose demand increases when the price of other goods rise.

The correct response was *D: Substitute goods*. The students who selected this response knew that, substitute goods are similar products that a customer may use for the same purpose. Coffee and tea are examples of substitute goods, the demand of a tea increases if the price of coffee rises. The students who opted for *A: inferior goods*, were wrong because inferior goods are goods whose demand decrease with an increase in consumers' income. These students did not understand that, the demand of coffee decreases at Kariakoo market due to the rise of coffee price and not because of an increase in consumer's income. On the other hand, the students who



chose *B: complement goods*, were wrong because complement goods are demanded together at the same time to satisfy a particular demand like car and fuels. Those who choose *C: normal goods*, did not know that, the demand of normal goods does not depend on fall or rise of the prices of other goods.

In item (iv), the students were required to identify the most important role played by a wholesaler in the chain of distribution.

The item was set to test the students' understanding of the role played by a wholesaler in trading activities. The correct response was *B: breaking the bulk*. The students who opted for this response understood that a wholesaler buys goods in bulk from the manufacturers, breaking into small units and sells them to retailers in small quantities.

The students who opted for *A: advertise his product*, were wrong because a manufacturer or producer is the one who should make the products to be known to customers. Others who chose *C: transport goods* failed to understand that other manufacturers transport goods directly to wholesalers' stores. So wholesalers can receive goods at their business locations and sell them to retailers without offering transport services. On the other hand, those who opted for *D: provide credit facilities to retailer* failed to understand that, wholesalers can willingly choose to offer this service upon agreement with the retailer.

In item (v), the students were required to identify the type of labour in which an accountant can be placed.

The item tested the students' ability to distinguish types of labour. The correct response was *B: skilled labour*. The students who chose this response understood that, skilled labour requires training for better job performance. Therefore, an accountant should be placed in this category since their job requires professional skills for better job performance. The students who opted for *C: unskilled labour* and *D: manual labour* were wrong because both alternatives are types of labour which do not require necessary training to perform them. Similarly, choice *A: semi trained labour*, refers to labour that is not highly trained. It requires little training to perform a task.

In item (vi), the students were required to identify the process used in giving a symbols to particular products.

The item intended to test the students' understanding of the process of preparing goods for sale. The correct response was *C: branding*. The students who responded to it correctly knew that, branding is the giving of a distinctive trade name to goods by producer so as to distinguish them from goods of other producers. The students who opted for incorrect responses include those who chose *A: pre-weighing*. Pre-weighing is the process of performing and weighing for a batch scheduled to be manufactured. Moreover, the students who selected alternative *B: packaging*, failed to understand that, packaging refers to activities related to designing, evaluating and producing the containers for a product. Furthermore, the students who opted for *D: branding name*, lacked knowledge of the process of preparing goods for sale. Brand name, is the name given to a product.

In item (vii), the students were required to calculate gross profit mark-up percentage from the books of Mangi a trader who bought goods for TZS 24,000/= and sold them at TZS 30,000/=.

The item tested students' ability to calculate mark-up percentage. The correct response was *C: 25%*. The students who selected this response knew that, Gross profit mark-up percentage is gross profit which is expresses as a percentage of the cost price, and it is determined by the following formula  $Mark-up = \frac{Gross\ profit}{Cost\ of\ sales} \times 100$ . The students who opted for *A: 20%* were wrong as they mistook the formula of calculating mark –up percentage for Gross profit margin percentage. They took gross profit  $mark-up\ percentage = \frac{Gross\ Profit}{Net\ sales} \times 100$ . Similarly, the students who selected option *B: 25 1/2 %*, lacked enough knowledge on applying proper formula in computing gross profit mark-up. They took gross profit mark-up percentage =  $Mark-up = \frac{Gross\ profit}{Cost\ of\ sales} \times 100 + \frac{1}{2}$ . Furthermore, the students who selected alternative *D: 8%*, they applied a wrong formula by taking,  $gross\ profit\ mark-up = \frac{cost\ of\ sales}{sales} \times 10$ .

In item (viii), the students were required to identify the category in which the industry that process cotton into clothes fall.

The item was intended of test the students' awareness on the types of industries which produce different goods. The correct response was *A: manufacturing*. The students who selected the correct item were aware of the types of industries together with their activities. For instance, they knew that in manufacturing industries, raw materials are transformed into either

semi-finished or finished goods, for example changing cotton to clothes. The students who chose *B: constructive industries*, were wrong since *constructive* industries involve the process of using products manufactured to make other goods like road construction. On the other hand, those who chose *C: extractive industries*, were incorrect because *extractive* industries involve the process of extraction of raw materials from various sources like land. Moreover, who opted for *D: direct services*, failed to realise that, legal services are rendered directly to the consumer for example, legal service.

In item (ix), the students were required to identify the feature of a successful entrepreneurs.

The item intended to test the students' understanding on various features of successful entrepreneurs. The correct response was *D: Hardworking*. For entrepreneurs to achieve their goals, they must be willing to work hard when performing various duties like deciding on the project, raising finance and planning for their success. They should also be ready to take risks and manage enterprises accurately. The students who responded correctly were aware of the various features needed for an entrepreneur to be successful, hence they judged that, of all the features given, *hardworking* stands out as the main feature. The students, who chose *A: attractive personality*, did not realise that attractiveness does not influence hard working while those who selected *B: product knowledge* were unaware that knowledge without hard working cannot make an entrepreneur successful. The students who opted for *C: pleasantness* failed to realise that, pleasantness is one of the qualities of good entrepreneurs and is not among the features of successful entrepreneur.

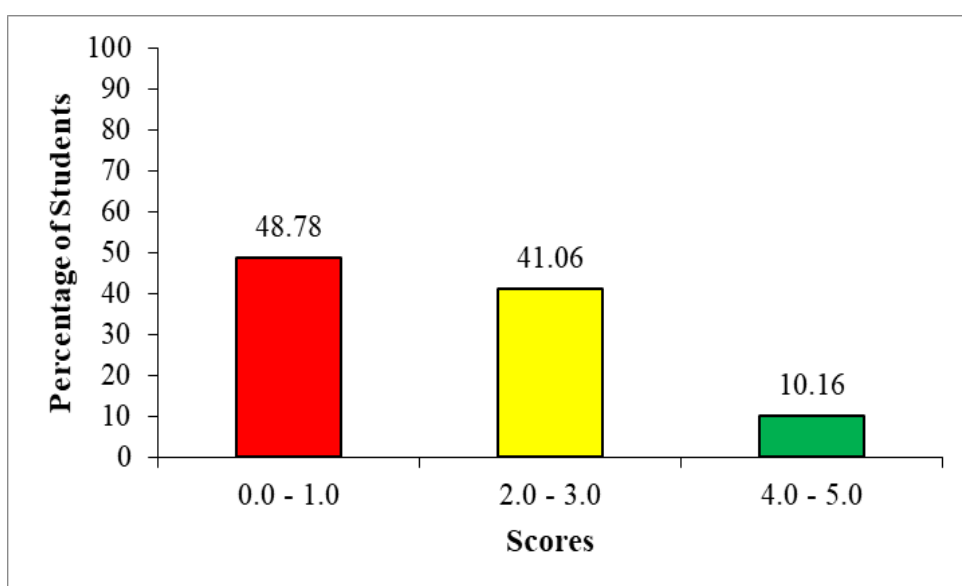
In item (x), the students were required to identify advantages a person enjoys for being self-employed.

The item was intended to assess the students' knowledge of the advantages of self-employment. The correct response was *C: to get financial rewards*. The students who selected this alternative realised that as an entrepreneur decides the goals to achieve, his/her main focus is on earning profit in terms of financial rewards. The students who selected *A: to have long working hours* did not know that, it is one of the disadvantages of self-employment while those who selected *B: to manage business risks*, could not realise that it is the duty of an entrepreneur must to take risks achieve their financial rewards. Moreover, *D: to create social relations*, was not a correct response because it is a benefit which can be enjoyed by both non-self and self-employed persons.

## 2.2 Question 2: Commerce Basics

This question had five (5) matching items. Each item carried 1 mark, making a total of 5 marks. The items were set from the topic *Commerce Basics*. The students were required to match the descriptions of types of goods in List A with their appropriate terms in List B by writing the letter of the correct response in the table provided.

The question was attempted by 74,426 (100%) students, out of whom 36,307 (48.78%) scored from 0 to 1 mark, 30,554 (41.06%) scored from 2 to 3 marks and 7,565 (10.16%) students scored from 4 to 5 marks. The overall performance in this question was average. **Figure 2** summarises the students' performance on Question 2.



**Figure 2:** The percentage of students' performance in Question 2

Item (i) required the students to identify goods whose demand decreases with an increase in consumers' income. The corresponding letter was *E: inferior goods*. The students who matched it with this response realised that when consumers' income increases the demand of inferior goods decreases. However, some students matched it with *B: perishable goods* since they failed to recognise that these are goods which have short life span regardless of them being inferior or superior.

Item (ii), required the students to identify goods whose demand increases when the price increases. The correct response was *G: luxury goods*. The students who matched it correctly knew that, these are goods of ostentation which people buy for prestige, that is for showing off. Some students who opted for *C: economic goods* assumed that scarce goods can be demanded more when their prices increase. Whereas, those who matched it with *D: fragile goods* failed to know that, these are goods that can be easily broken.

Item (iii), required students to identify scarce goods that yield utility to an individual. The correct match was *C: Economic goods*. The students who matched it correctly understood that, these are scarce goods but are highly required due to their unlimited wants to meet individual utility. However, few students, who matched it with *A: Capital goods*, misunderstood that these are goods used in the production of other goods to satisfy utility.

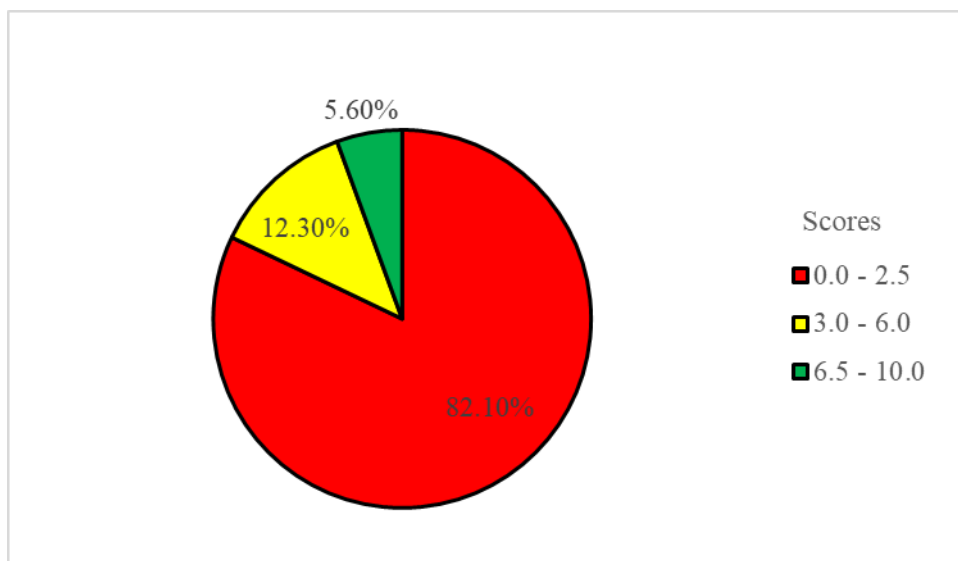
Item (iv), required students to identify goods which are produced to assist production of other goods. The students who matched it with *A: capital goods*, knew that, these are goods in the form of machines used in the production of other goods. They can also be in the form of money used to buy other goods to facilitate the production process. However, some students who matched it with *F: intermediate goods*, might have been influenced by the word “intermediate” which means between.

Item (v), required the students to identify goods which have short life span in nature. The correct response was *B: perishable goods*. The students who matched it correctly knew that perishable goods are those goods which cannot be kept for a long time due to their nature. Examples of perishable goods are fruits, vegetables, fish and meat. Moreover, few students wrongly matched it with *D: fragile goods* assuming that since they can easily be broken they cannot stay for a long period of time.

### **2.3 Question 3: Economics Basics**

This was a short answers question whereby students were required to differentiate the following concepts: (a) *demand and supply schedules*, (b) *demand curve and supply curve*, (c) *Change in demand and change in quantity demanded*, (d) *Change in supply and change in quantity supplied* and (e) *Joint demand and joint supply*.

A total of 74,426 (100%) students attempted this question. Out of them, 61,099 (82.09%) scored from 0 to 2.5 marks, 9,168 (12.32%) scored from 3 to 6 marks and 4,159 (5.59%) students scored from 6.5 to 10 marks. **Figure 3** summarises the performance on Question 3.



**Figure 3:** The percentage of students' performance on Question 3

**Figure 3** shows that, majority (82.10%) of the students had weak performance on this question as they scored below average marks.

A total of 61,099 students (82.10%) scored from 0 to 2.5 marks. They failed to differentiate the concepts in almost all the items. Analysis shows that the students were incompetent in the concepts assessed. Majority of the students who scored zero mark, provided irrelevant explanations for the terms due to limited knowledge. The explanations provided included some of distractors copied from other questions. In item (a) for example one of students differentiated demand and supply schedule as *demand schedule refers the goods whose demand increases when the price increases while supply schedule refers the goods whose supply decreases when the price decrease*.

Item (b) required students to differentiate demand curve and supply curve. Analysis reveals that, some of the students had misconception on the concepts. One of the students differentiated as *demand curve is supplement services of production process so create social of laws quantities are demanded to have long trader complete goods while supply curve is the*

curves *slope downward from left to the right and has negative slopes*. Item (c) change in demand and change in quantity demanded, (d) change in supply and change in quantity supplied and (e) joint demand and joint supply. Some of the students provided correct explanations of one concept and failed completely to provide any explanation on the other concept hence they scored zero mark because they failed to meet the demand of question which required students to differentiate both concepts in each part. Furthermore, lack of English language proficiency was their other important reason for students' low scores. **Extracts 3.1:** illustrates a sample of poor responses to Question 3.

5. Differentiate the following concepts:

- (a) Demand schedule and supply schedule.  
Demand schedule are the table which show the ~~express~~ and express demand. WHILE supply schedule are table in which used to show the quantity supply which show the higher the price the higher quantity supply.
- (b) Demand curve and supply curve.  
Demand curve is a graph which shows and expressing demand.  
WHILE  
supply curve is a graph which shows and expressing supply. to show the higher price the higher supply.
- (c) Change in demand and change in quantity demanded.  
Change in demand. It include the change of fashion, change of taxation, change of taste and change of income and other changes.  
WHILE  
change in quantity demand it involve change of price. when price change also the quantity demand must be change.
- (d) Change in supply and change in quantity supplied.  
Change in supply. It involve weather condition, increasing of population, increasing of production, increasing of demand.  
WHILE  
change in quantity supplied. It involve the change increasing of commodities, increasing of price and so on.
- (e) Joint demand and joint supply.  
Joint demand is the type of demand which involve competitive and delivery the joint demand include the product which both are needed for uses.  
WHILE  
Joint supply is the type of supply which involve the supply the goods which have same use example sugar and tea, coffee and tea and others.

**Extract 3.1:** A sample of the student's incorrect responses to question 3



**Extract 3:1** shows incorrect responses from the students who explained some factors for change in supply and demand instead of differentiating the concepts.

A total of 9,168 students who scored from 3 to 6 marks (12.30%), were able to correctly differentiate some of the concepts such as (a) *demand* and *supply schedules*, (b) *demand* and *supply curves* and (e) *joint demand* and *joint supply*, while provided insufficient explanation to other concepts such as (c) change in demand and change in quantity demanded (d) change in supply and change in quantity supplied.

The students who failed to differentiate *change in demand* and *change in quantity demanded* were not aware that, change in demand is an increases or decreases in quantity demanded of a product due to the change in other factors affecting demand while price remain constant while change in quantity demanded is an increase or decrease in demand of a products due to the change in price while other factors remain constant.

Furthermore, students' responses analysis revealed that, they had in inadequate knowledge to differentiate change in supply and change in quantity supplied. They were unaware that, change in supply is an increase or decrease in quantity supplied due to change in factors which are affecting supply apart from price. On the other hand, change in quantity supplied is increase or decrease in quantity supplied due to change in price while other factors remain constant.

Despite the average performance of students on this question, the students' responses analysis shows that, some of the students amounting to 4,159 students scored high marks. These students differentiated all the given concepts as required. Indicating that they had sufficient knowledge of the concepts related to Economic Basics. **Extract 3.2** is a sample of correct responses to Question 3.

3. Differentiate the following concepts:

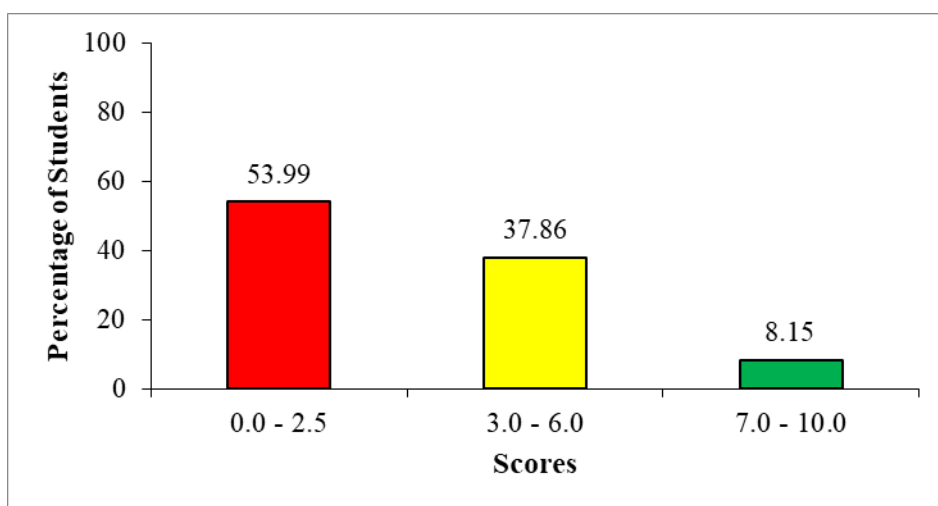
- (a) Demand schedule and supply schedule.  
Demand schedule is the chart or table which shows relationship between price and quantity demanded in that price WHILE Supply schedule is the chart or table which shows relationship between price and quantity supplied in that price
- (b) Demand curve and supply curve.  
Demand curve this is a graph showing the quantity demanded at different prices. It represent demand schedule graphically. WHILE Supply curve is a graph showing the quantity supplied at different prices. It represent supply schedule graphically.
- (c) Change in demand and change in quantity demanded.  
Change in demand this is an increase or decrease in demand due to other factors affecting demand when price remain constant. factors like income of consumer and population size WHILE Change in quantity demanded is the increase or decrease in quantity demand when price changes.
- (d) Change in supply and change in quantity supplied.  
Change in supply is the increase or decrease in supply due to other factors affecting supply like number of firm in the market and cost of production when price remain constant WHILE Change in quantity supplied is the increase or decrease in quantity supplied when there is change in price.
- (e) Joint demand and joint supply.  
Joint demand these are commodities which are consumed together example is car and fuel or ink and pen WHILE Joint supply these are commodities which are produced together example is petroleum and kerosene from crude oil

**Extract 3.2:** A sample of the student's correct responses to question 3

## 2.4 Question 4: Production

The question was set from the Production topic. The students were required to briefly explain five points on the importance of production to individuals.

The question was attempted by 74,426 (100%). The analysis shows that, 6,065 (8.15%) students scores marks ranging from 6.5 to 10 marks, 28,175 (37.86%) students scored from 3 to 6 and 40,186 (53.99%) students scored from 0 to 2.5 marks. Generally, students' performance on this question was average, as it is summarised in **Figure 4**.



**Figure 4:** The percentage of students' performance on Question 4

Analysis shows that, 40,186 (53.99%) students who scored from 0 to 2.5 marks misinterpreted the demand of the question as they provided the importance of production to the nation rather than to an individual. For example, one student responded "*it improves development in our country, it is a source of national income and it helps in the growth of a country's economy, it is a source of foreign exchange and helps to develop international trade*".

On the other hand, some students provided incorrect responses. They demonstrated insufficient knowledge on the subject matter assessed. For example, some students explained factors of production such *land, labour, capital and entrepreneurship* as points on the importance of production to individuals. Moreover, some students scored zero on this question because they copied some words from other questions and provided irrelevant

explanations contrary to the importance of production to individuals. For example, some students copied the following words from other questions, *Capital goods*, *luxury goods*, *economics goods*, *inferior goods* and *perishable goods*. **Extract 4.1** is a sample of incorrect responses from the student.

4. There is an argument that, "production of various goods and services is important to individuals." Briefly explain five importance of production to individuals to justify this statement.
- (i) **LAND** are the importance of production which are the good of the good: example: land. One not person for land not your person for knowledge.
  - (ii) **CAPITAL** This are the production in which are person for change and exchange goods from industry are for sexy goods.
  - (iii) **LABOUR** Is the process of the goods and the joints of production in which are types of production of Tanzania.
  - (iv) **Entrepreneur** This are the importance of production in which are people to knowledge of the change and of good or ideas from the production.
  - (v) **Industry** This are the Industry of production from exchange goods and materials from industry.

**Extract 4.1:** A sample of the student's incorrect responses to question 4

**Extract 4.1** shows incorrect responses from the students who explained factors of production instead of explaining the importance of production to individuals.

On the other hand, some students with average performance scored low marks because they misinterpreted the demand of the question as they provided the importance of production to the nation rather than to an individual.

Moreover, some students provided correct responses but with insufficient explanations such as *“it creates employment; it improves the living standard of an individual and helps to develop international trade. It also it improves business opportunities”*. Furthermore, some students provided less than five points on the importance of production to individuals. The points given not only lacked clarity due to low proficiency on English language, but also they were wrong.

Furthermore, analysis of the students’ performance revealed that only 6,065 (8.15%) students performed well on this question as they scored highly marks from 7 to 10 marks. These were aware of importance of production to individuals. Thus they differentiated it with the importance of production to the nation. Some of the responses provided by the students were; *“It is the source of employment, it enhances the growth of trade and improves standard of living of individual, it is also a source of income and helps the society to satisfy human needs, it helps people to engage in production of various goods and to increase social relations of an individual with other people in the society”*. **Extract 4.2** provides a sample of good responses from students.

4. There is an argument that, "production of various goods and services is important to individuals." Briefly explain five importance of production to individuals to justify this statement.

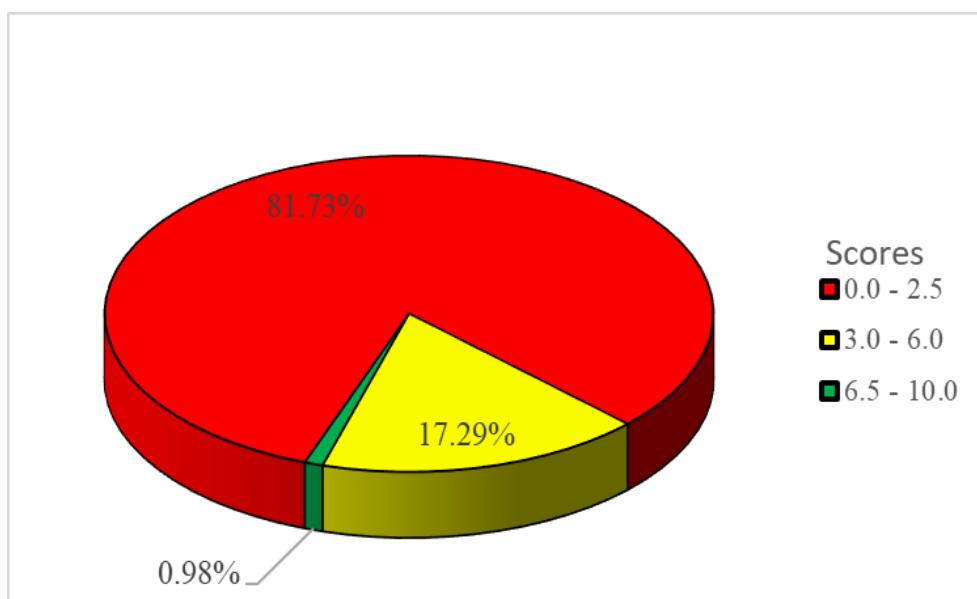
- (i) Improve standard of living :- production help individual to improve their standard of living. From income earn when engaging in the process of production. For example Through income earned from the process of production one's can buy a car or other commodity in order to improve his standard of living.
- (ii) It help in satisfaction of human needs or wants :- Through the process of production different people or individuals can satisfy their needs or wants. Because process of production increase variety of goods and services for customer needs. Example of some human needs or wants are food, clothes and other needs.
- (iii) create employment opportunities :- Through process of production different people or individual can be employed in different sector. And a person who get employment can be skilled labour, semi skilled labour or unskilled labour and this help people to get their need and wants.
- (iv) Promote equal distribution of income :- Process of production promote equal distribution of income because all people who are engage in it or in the process of production all are paid according to the efficiency or task performed by them. For example are person who produce, a person who distribute those goods all are paid.
- (v) Proper utilization of resources available :- Process of production influence people on using the resources available to produce different commodity or goods which are needs by consumer for different purpose. And when resource available is utilized properly it help to increase variety of goods and services need by consumer.

**Extract 4.2:** A sample of the student's correct response to question 4

## 2.5 Question 5: Transportation

This question was set from the topic *Transportation*. The students were required to explain the advantages of road transport over railway transport.

The question was attempted by all 74,426 (100%) students out of whom 60,828 (81.73%) scored from 0 to 2.5 marks; 12,865 (17.29%) scored from 3 to 6 marks and only 733 (0.98%) students scored from 6.5 to 10 marks. The general performance on this question was weak since 81.73 per cent of students performed poorly. The overall students' performance on the question is summarised in **Figure 5**.



**Figure 5:** The percentage of students' performance in Question 5

A total of 60,828 (81.73%) students who scored from 0 to 2.5 marks performed poorly on this question. They failed to adhere to the demand of the question. Some of them provided factors to consider before choosing a mode of transport such as *cost of means of transport, distance, nature of products, terminal and means of transport available*. There were also students who explained factors which limit production of goods such as *poor transport and communication, poor labour and poor market*. Moreover, other students explained the modes of transport such as *road transport, human transport, animal transport and water transport* instead advantages of road transport over railway. In addition, there were some

students who failed to understand the demand of question and hence they explained the importance of transportation.

Furthermore, other students explained the elements of transport instead of advantages of road transport over railway transport. In fact, the responses provided by the students with poor performance revealed lack of knowledge of the advantages of different means of transport especially railway transport. **Extract 5.1** is a sample of a poor response given by one of the student.



5. Mr Juma is planning to transport vegetables from Morogoro to Dar es Salaam using either road or railway transport. He invited you to advise him on the type of transport so that, he can make decision on his plan. By giving five advantages, convince him to use road rather than railway transport.

- (i) Cost of goods  
~~It is~~ To transport vegetables in road is more advisable because the vegetable do not cost alot of money.
- (ii) Nature of Goods  
~~The~~ The vegetables are perishable goods they can not live for a long period of time. So a person is advised to use road because it take ~~not~~ short time to transport the vegetable so as to avoid to decay or destroy.
- (iii) Distance covered  
Morogoro to Dar es Salaam it take long time for a ~~Railway~~ train to move so it is advised to use Road because it does not take for long time to move.
- (iv) Safety  
Road transport is more safety than the Railway transport because Railway it store alot of good if the get disturbed they can destroy the vegetable.
- (v) Terminals  
Some terminals are located far away from people's residents example the Railway transport so it is good to use Road because it can reach untill to the door of the house of a person.

**Extract 5.1:** A sample of the student's incorrect responses to question 5

**In extract 5.1:** the students explained the factors to be considered before choosing the means of transport instead of explaining the advantages of road transport over railway transport.

Further analysis reveals that, the students with average performance, provided both relevant and irrelevant responses. Some of them provided the advantages of road transport without comparing them with railway transport. Others gave relevant responses without providing clear explanations.

Although this question was poorly performed, further analysis shows that, a total of 733 (0.98%) students who got high marks on this question demonstrated sufficient knowledge of the advantages of road transport in comparison with railway transport. The students with good performance provided several advantages of road over railway transport such as: *it facilitates door to door delivery as road transport can stop in different places than a train, road transport doesn't have fixed schedule compared to railway transport so Mr Juma can transport vegetables at any time since road transport is faster in short distances compared to railway transport which is slow.* Additionally, road transport offers a wider variety of transport facilities such as motorcars, motorcycles, and lorries than railway which offers only a train as a means of transport. An example of a good response is presented in **extract 5.2.**

5. Mr Juma is planning to transport vegetables from Morogoro to Dar es Salaam using either road or railway transport. He invited you to advise him on the type of transport so that, he can make decision on his plan. By giving five advantages, convince him to use road rather than railway transport.

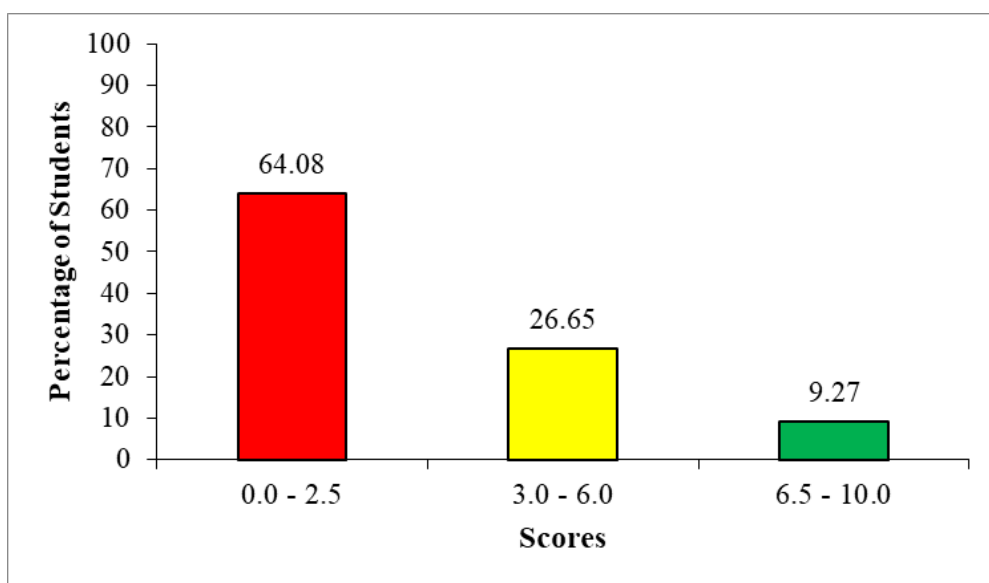
- (i) Road is cheap in long distance transport and short distance. Road transport is cheap since the payment is proportional to the distance therefore in short distances it costs a low price but in railway transport it is expensive on short distance since they have a common fare for all who travel to far and short distances therefore it is not advisable for short distance.
- (ii) Road transport is flexible: Road transport is flexible means it is easy to change direction, route or time according to various factors but railway transport is not flexible as it does not consider an individual's interest such as route or time. Also in road transport an individual can choose a stopping point compared to railway transport which has specific stations.
- (iii) Road transport has no fixed timetable hence easy in making decisions. Road transport can move at any time compared or considering the interest of the passenger therefore it is easy in making decisions concerning time. While in Railway transport it has a fixed timetable in which it is not convenient in case of emergency which may lead to delay.
- (iv) Road transport is fast compared to railway transport: Road transport is fast hence used in emergency compared to railway transport which has specific stations which stop periodically that may lead to time wastage and also not convenient in transporting urgently needed goods compared to road transport which is flexible.
- (v) Road transport can be operated in most areas. Road transport can be operated in almost everywhere since it's roads can be made locally by cutting or removing any trees but railway transport involves the movement on railways which is expensive to build hence not available in most areas.

**Extract 5.2:** A sample of the student's correct responses to question 5

## 2.6 Question 6: Entrepreneurship

The students were required to explain the entrepreneurship concepts such as entrepreneurship, self-employment, entrepreneurial skills, motivation and employment.

The students who attempted this question were 74,426 (100%). Out of them students, 47,694 (64.08%) scored from 0 to 2.5 marks. Students who scored from 3 to 6 marks were 19,833 (26.65%) and those who scored from 6.5 to 10 marks were 6,899 (9.27%). The overall performance in this question was weak since 64.08 per cent of students scored from 0 to 2.5 marks. **Figure 6** summarises the performance of students in question 6



**Figure 6:** *The percentage of students' performance on Question 6*

The students who scored from 0 to 2.5 marks had several weaknesses. Majority of them failed to understand the requirement of the question hence provided wrong answers. Some students provided explanations to a single concept i.e. (a) entrepreneurship and failed to provide any explanation to the other four concepts namely (b) self-employment, (c) entrepreneurial skills (d) motivation and (e) employment. The incorrect responses observed from different samples of students' responses proved that the students misunderstood the demand of the question. Some students explained motivation as "*the movement of goods from one place and go to another place*". Moreover, some other explained entrepreneurial skills are the ability

of setting business transaction to use skills. There are some students who did not attempt to explain any of the given entrepreneurship concepts. An example of incorrect response is presented in **extract 6.1**

6. Assume your name have been short listed for an interview to work with Wajasiriamali Company. How would you explain the following entrepreneurship concepts to the interview panelist?

(a) Entrepreneurship  
 ..... Entrepreneurship .....  
 ..... This is an activity or work of people do. The entrepreneur is a person who organise other factor of production. The entrepreneurship is used to give the basic need such as food shelter and the clothes. ....

(b) Self-employment  
 ..... Self-employment .....  
 ..... It is the factor of entrepreneur to educate the people who study the entrepreneurship. This is a group of people who self employment at the entrepreneur. ....

(c) Entrepreneurial skills  
 ..... Entrepreneurial skill .....  
 ..... The entrepreneurial skill this is an a skill which is a factor of entrepreneurship. For skill the entrepreneurial skill used to the entrepreneurial skills. ....

(d) Motivation  
 ..... Motivation .....  
 ..... It is a one of feature of entrepreneur to be a entrepreneurship. The motivation it used at the entrepreneurship for give motivation. ....

(e) Employment  
 ..... Employment .....  
 ..... This is an feature of successful entrepreneurs it used to employment. ....

**Extract 6.1:** A sample of the student's incorrect responses to question 6

**Extract 6:1** shows incorrect responses from the students who provided explanation on features or qualities of entrepreneurs instead of explaining the entrepreneurship concepts.

A total of 19,833 (26.65%) students who performed the question averagely revealed their ability to correctly explain some of the given concepts given. For example, in part (a) *entrepreneurship* some students explained it as *a person who establishes business*, while others explained part (d) *motivation*, as *a success or the process of rewarding an entrepreneur*.

A total of 6,899 (9.27%) students performed the question well and scored high marks ranging from 6.5 to 10 marks. These were able to explain the five concepts tested namely *entrepreneurship*, *self-employment*, *entrepreneurial skills*, *motivation* and *employment*. These students were aware that, entrepreneurship is a process of identifying business opportunities and obtaining the necessary resources required to start and run a business. Also they understood that, self-employment, is a situation whereby a person employs himself or herself and earns income instead of working for others or without being controlled by someone else. They were also familiar with the term entrepreneurial skills as the abilities possessed by entrepreneurs. They had enough knowledge to explain motivation as a desire which influences an individual or group of people toward a specific action. Furthermore, the students demonstrated ability to explain employment and provided additional explanation that, self-employment is an example of employment. The reasons for their good performance were adequate knowledge of the subject matter tested and proper understanding of the requirement of the question. **Extract 6.2** shows a sample of correct responses from one of the candidates who were able to elaborate five concepts of entrepreneurship.

6. Assume your name have been short listed for an interview to work with Wajasiriamali Company. How would you explain the following entrepreneurship concepts to the interview panelist?

(a) Entrepreneurship

- Entrepreneurship refers to the process by which an individual starts, runs and operates a business so as to make profit. To do so an entrepreneur should have some features that will help him or her to become successful for example goal orientation, tenacity, self-confidence and innovation and invention. Also he or she should have skills that enable him or her to do her work well. Example of such skills are money management skills, technical skill and innovation and invention skills. The entrepreneur should also have some driving forces that compel her to do her job example governmental support, sense of accomplishment and independence and labour availability.

(b) Self-employment

- Self-employment refers to the process of working for oneself as the owner of the business and not working for another institution, person or company. The importance of self employment are like sense of self-recognition, job security, independence and freedom, use of your own skills and also flexibility in your work. But it also has some disadvantages as well for example little access of loans from the government, fewer free benefits, monotony as unsteady pay and paying taxes or other cost of production.

(c) Entrepreneurial skills

- Entrepreneurial skills are the techniques or strategies that help an entrepreneur to control and operate the business smoothly. Example of these skills are risk management skills, communication skills, technical skills, innovation and invention skills and money management skills. These skills also enable an entrepreneur to overcome various risks for example environmental risk and competitive risk.

(d) Motivation

-Motivation is the psychological or physical force that compels or pushes someone as an entrepreneur to do something in a certain way. For example education level, experience level, sense of accomplishment and sense of independence, availability of labour and availability of governmental support.

(e) Employment

-This refers to the process of being hired to do something and earn money. Some people are employed while others are self employed.

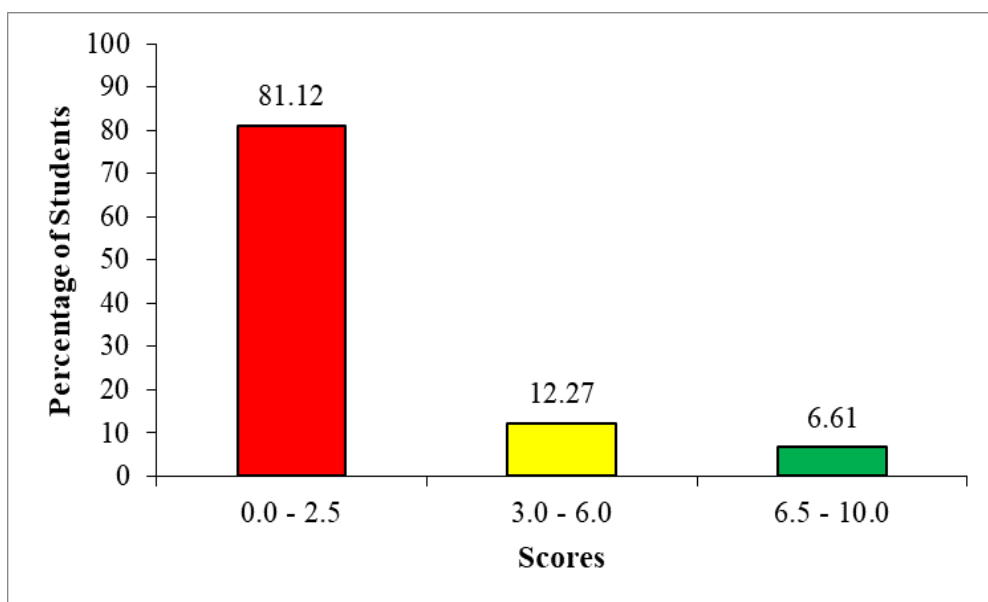
**Extract 6.2:** A sample of the student's correct responses to question 6

## 2.7 Question 7: Entrepreneurship

In this question the students were required to describe five features which differentiate successful entrepreneurs from unsuccessful entrepreneurs. It tested students' knowledge on features of successful entrepreneurs.

A total of 74,426 (100%) students attempted the question. 60,372 (81.12 %) students scored from 0 to 2.5 marks, 9,131 (12.27%) scored from 3 to 6 marks and 4,923 (6.61%) scored from 6.5 to 10 marks. The students' performance on this question was average as shown in **Figure 7** whereby, 81.12 per cent of them scored from 0 to 2.5 marks.





**Figure 7:** The percentage of students' performance on Question 7

Analysis shows that 60,372 (81.12 %) students performed poorly due to some factors like insufficient knowledge of entrepreneurship especially on characteristics or features of successful entrepreneur, misconception of the question and poor explanation on mentioned points. The students who scored zero marks failed to provide any correct point because some of them had poor understanding of the requirements of the question. For example, some of the students explained the qualities or attributes of good retailers as *good buyers, good administrators, forecast demand*, instead of explaining features which differentiate a successful entrepreneur from an unsuccessful one. Moreover, some students explained the importance of entrepreneurship hence failed to meet the demand of the question. Furthermore, some students copied some words from other questions such as *demand curve has negative slopes, curve shows that at higher price low quantity are demanded, at higher price large quantities are demanded*. **Extract 7.1** show a sample of incorrect answer supplied by one of the students who performed poorly to question 7.

7. Describe five features which differentiate successful entrepreneurs from unsuccessful entrepreneurs.

- (i) Capital : A successful entrepreneur ~~to~~ start a business with a very big capital while an unsuccessful entrepreneur starts with a small amount of capital.
- (ii) Raw ~~and~~ Availability of Raw materials : A successful entrepreneur has a lot of raw material to make ~~other~~ other finished goods compared to unsuccessful entrepreneurs. Unsuccessful entrepreneurs have a small raw material so as to make finished goods.
- (iii) Science and Technology : Successful entrepreneurs use high science and technological machines and skills "while" unsuccessful entrepreneurs use small science and technological machines and skills to run their businesses.
- (iv) Government Support : Successful entrepreneurs are given high support by the government because they provide ~~to~~ a lot of taxes to the government while the unsuccessful entrepreneurs are not given high support by the business because they do not provide a lot of taxes ~~which~~ to the government.
- (v) Availability of transportation and communication : The successful entrepreneurs have a lot of transport material and communication machines, example containers, lorries, cars, phones, laptops etc. for moving and communicating while unsuccessful entrepreneurs have no enough transportation materials and communication skills which helps them in communicating and transportation.

**Extract 7.1:** A sample of the student's incorrect responses to question 7

**Extracts 7.1** shows an incorrect response from a student who explained factors to consider before starting entrepreneurship activities instead of explaining the

features which differentiate a successful from unsuccessful entrepreneur. This kind of answer show that student did not understand the demands of the question.

The students with average scores (from 3 to 6 marks) were able to mention correct points like *innovation*, *creativity*, *hardworking* but failed to substantiate the mentioned points. Most of these students were able to mention and explain three out of five due to poor command of English language and limited knowledge of the subject matter.

Despite the weak performance in this question, 4,923 (6.61%) students scored marks which ranged from 6.5 to 10. Most of these students identified correctly at least three features which differentiate a successful from an unsuccessful entrepreneur. Furthermore, the students who scored high marks on this question provided relevant description of the required features. Some of the features they described were; *hard working*, *risk taking*, *courageousness* and *self-confidence*. Others were *action oriented*, *creativity* and *competitiveness*. **Extract 7.2** is a sample of students' correct responses to question 7.

7. Describe five features which differentiate successful entrepreneurs from unsuccessful entrepreneurs.

(i) Creativity:

A successful entrepreneur is very creative where he/she innovates and invents new techniques on how he/she should manage her/his business.

MEAN WHILE

An unsuccessful entrepreneur is not ready to sit and do a creative thinking. To install new techniques for his business and leaves it unchanged with old trends.

(ii)

Self-confident:

A successful entrepreneur is and still is self-confident on what he/she is engaged in and she/he is always firm with the decision he/she makes.

WHILE

An unsuccessful entrepreneur is not a self-confident person hence due to that he/she isn't constant with the decisions he/she makes and ends up with doubts and confusion.

(iii)

Passionate:

A successful entrepreneur is always passionate with what he/she is doing for her/his business and loves what he/she has decided.

IN THE OTHER HAND

An unsuccessful entrepreneur is not passionate on what he/she is doing; he has got no "love" for the decisions that he/she has made.

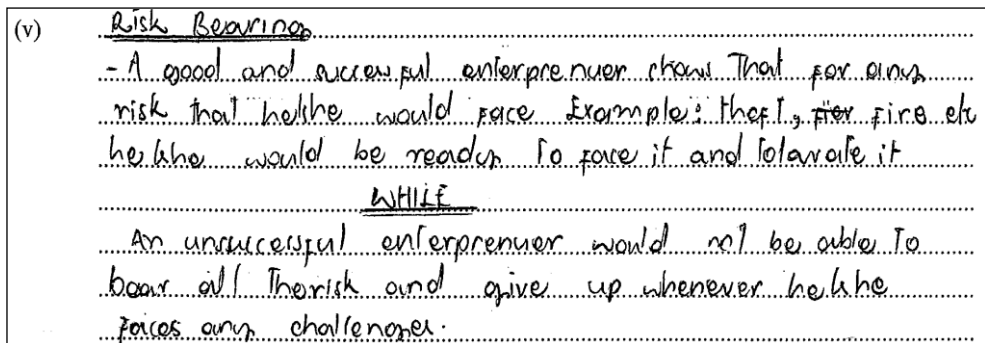
(iv)

Hard working:

A successful entrepreneur is a person who never gives up and he/she works harder and harder to ensure a great development for his/her business.

MEAN WHILE

An unsuccessful entrepreneur is a one who does not show effort in his/her business and doesn't show that he/she works hard to ensure developments.

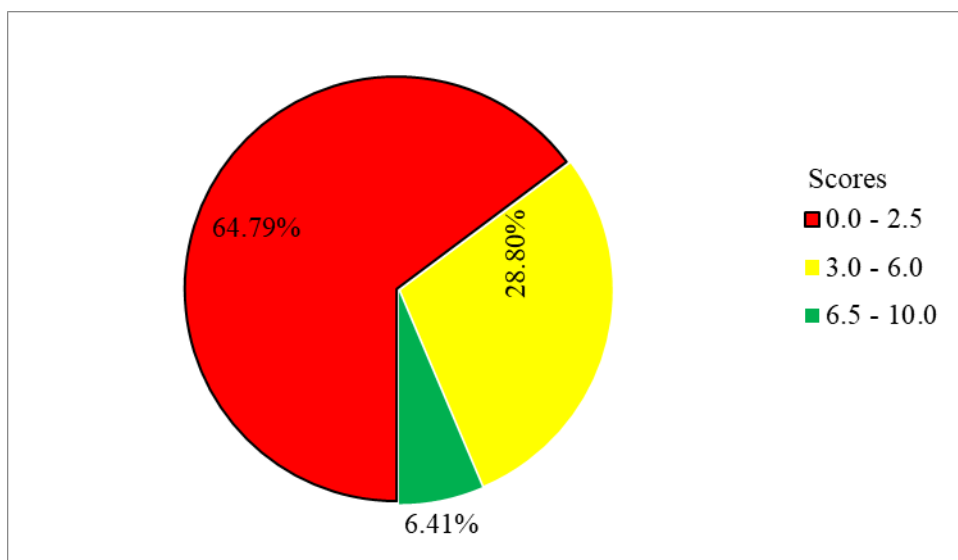


**Extract 7.2:** A sample of the student's correct responses to question 7

## 2.8 Question 8: Transportation

The students were required to explain briefly some of the transportation concepts as used in commerce such as transportation, terminal, airway bill, ways and charter party.

This question was attempted by 74,426 (100%) students. The analysis of the performance shows that, 4,773 (6.41%) students scored from 6.5 to 10 marks, 21,432 (28.80%) scored from 3 to 6 marks and finally 48,221 (64.79%) scored from 0 to 4 marks. The summary of the student's performance on this question is presented in **Figure 8**.



**Figure 8:** The percentage of students' performance on question 8

Generally, students' performance was weak in this question since 64.79 per cent performed poorly. The students who performed poorly in this question were not able to clearly explain (a) transportation and (b) terminal. Moreover, they failed completely to provide any explanation to (c) air way bill, (d) ways and (e) charter party. Furthermore, some students who scored low marks on this question wrote illogical explanations to some concepts like (c) *airway bill as the bill which is used to pay the bill of the airway transport* and (d) *charter party as the chart given in the boat for using boat services*. Other students gave insufficient explanations such as in part (b) *terminal this is used by motive power and unit of carriage, example, Magufuli terminal*. **Extract 8.1** represents sample of responses from students who scored low marks.

8. Briefly explain the following concepts in relation to commerce:

(a) Transportation  
 Transportation relates to commerce because transportation helps the traders or entrepreneurs to transport where goods to different places and to different people.

(b) Terminal  
 Terminal is related to commerce because terminal is one of the elements of transport which helps in the transportation of goods from one place to another.

(c) Air way bill  
 Air way bill is related to commerce because it is a document in the transport to the owner of goods to inform him or her that goods are transported by the means of air transport.

(d) Ways  
 Ways relates to commerce because with ways goods from a trader can be transported easily to the customer. Without ways vehicles cannot move from one place to another.

(e) Charter party  
 Charter party relates to commerce because it is a business document in transportation of goods which shows that charges of goods that have been ~~to~~ ~~part~~ already packed ready for transporting them.

**Extract 8.1:** A sample of the student's incorrect responses to question 8

**Extract 8:1** shows incorrect responses from the students who explained the relationship between concepts asked and commerce instead of explain in brief concepts.

Students whose scores ranged from 3 to 6 marks had average performance. Some of them managed to provide explanation to a few concepts (a) transportation, (b) terminal and (d) ways and provided irrelevant explanation to (c) air way bill and (e) charter party. For example, *the student explained ways is the movement of carry goods and people from one area to another area to another by using road*. Likewise, other students explained as this is *the movement of people and goods from one place to another by using charter party*.

The students who performed well in this question were able to explain all the five transportation concepts. Those students were aware that, *transportation is the process whereby the passengers and goods are moved from one place to another*. Also they understood that, *terminal is a place where units of carriage are loaded or off loaded*. They were also conversant with air way bill as *the document issued by an airline company acting as contract or evidence for transporting the goods*. Furthermore, the students with high scores provided the correct explanations to ways and charter party. **Extract 8.2:** A sample of a good response which scored high marks to question 8.

8. Briefly explain the following concepts in relation to commerce:

(a) Transportation

Transportation is the movement of people and cargo from one place to another done physically. There are different modes and means of transport. The modes of transport are like Air, Railway, Land and water, but the means of transport are vehicles like car, van, bicycle, motorcycle, also railway train and Aeroplane.

(b) Terminal

This is the starting and ending point of the transport means. There are different terminals of different means of transport. Example Bus stand, Harbour, Airport and Railway station.

(c) Air way bill

This is the document provided out by the air company to the person who loaded his/her cargo in the airplane. It stands as an evidence to prove that goods were transported.

(d) Ways

This is the path through which means of transport take when transporting people or things from one place to another. Example road, Air, water, railway and Pipe. Road can be rough or tarred road.

(e) Charter party

Is the document that shows the agreement between the shipping company and the person who wants to hire the ship. Specifically, the amount and quantity of goods that will be loaded and the particular time when goods will be loaded and unloaded.

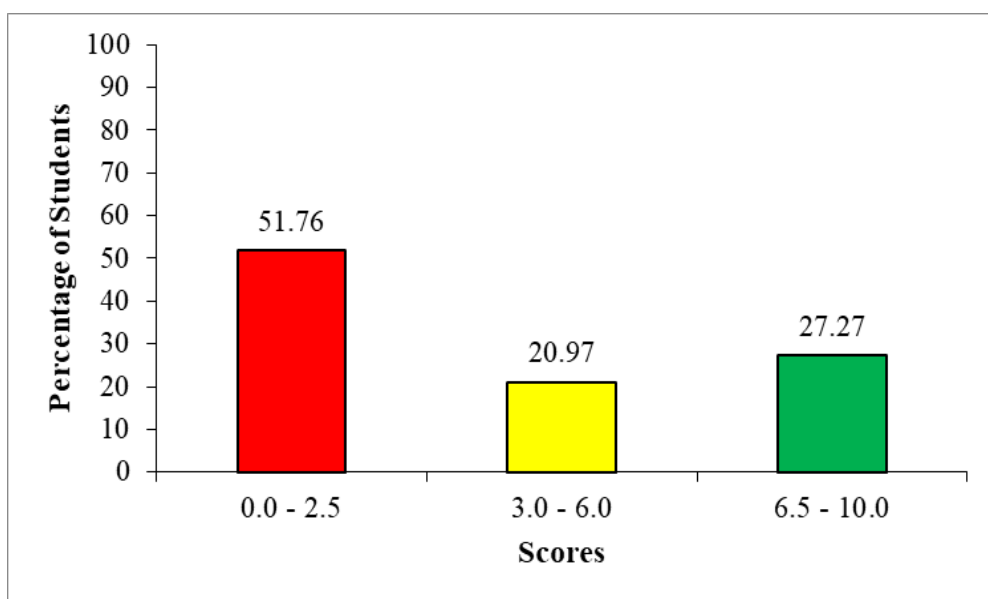
**Extract 8.2:** A sample of the student's correct response to question 8



## 2.9 Question 9: Warehousing Management

The students were required to calculate the average stock, cost of sales, gross profit, rate of stock turnover and gross profit margin from the given information which was extracted from Mr. Pesa's books as on 31<sup>st</sup> December 2020. These include stock at start Tshs 42,000/=, Sales Shs. 140,000/=, Purchases Tshs 78,000/= and stock at 31<sup>st</sup> Dec 2020 was Tshs 20,000/=.

This question was attempted by 74,426 (100%) students. Out of these 38,521 (51.76%) scored from 0 to 2.5 marks, 15,608 (20.97%) scored from 3 to 6 marks and 20,297 (27.27%) students scored from 6.5 to 10 marks. The summary of performance on this question is presented in **Figure 9**.



**Figure 9:** *The percentage of students' performance on question 9*

The overall students' performance was average on this question because 48.24 per cent scored from 3 to 10 marks.

The students who performed poorly by scoring 0 to 2.5 marks were unable to correctly answer most parts of the question. Some students wrote the correct formulae, but failed to use the data given to arrive at the correct answers. Others applied the correct formulae with correct data to some parts, but due to poor arithmetic skills they failed to obtain the correct answers. Further, the analysis shows that 21,590 (29.01%) students who scored zero,

had poor stock calculation skills, inadequate knowledge of the tested concepts and were unable to arrive at the correct answer due to application of wrong formulae. For example, one of the students applied the following improper formula in his/her calculation; *Average stock = gross profit + cost of sales ÷ 2*, *cost of sales = cost of sales - rate of stock turnover and gross profit = sales + purchases + purchases return*. Failure to properly apply the given data and formulae resulted into wrong answers since incorrectness of one item led to an incorrect figure of the other related items. For instance, if the value of average stock and cost of sales were wrong, then the values of gross profit, rate of stock turn over and gross profit margin percentages would as well be wrong. **Extract 9.1** presents a sample of the incorrect response for question 9.

9. The business of Mr. Pesa showed the following information as on 31<sup>st</sup> December 2020. Stock at start Tshs 42,000/=, Sales Shs. 140,000/=, Purchases Tshs. 78,000/= and stock at 31<sup>st</sup> Dec. 2020 was Tshs 20,000/=. Use the information provided to calculate:

(a) Average stock

$$\begin{aligned} \text{Average stock} &= \frac{\text{Sales} - \text{Cost of good sold}}{2} \\ &= \frac{140,000 - \text{Cost of good sold}}{2} \\ \text{Cost of good sold} &= \text{opening stock} - \text{purchases} - \text{closing stock} \\ \text{Cost of good sold} &= 42,000 - 78,000 - 20,000 \\ \text{Cost of good sold} &= 16,000 \\ \text{Average stock} &= \frac{140,000 - 16,000}{2} \\ \text{Average stock} &= 124,000 \end{aligned}$$

(b) Cost of sales

$$\begin{aligned} \text{Cost of sales} &= \text{opening stock} - \text{purchases} - \text{closing stock} \\ \text{Cost of sales} &= 42,000 - 78,000 - 20,000 \\ \text{Cost of sales} &= 16,000 \end{aligned}$$

(c) Gross profit

$$\begin{aligned} \text{Gross profit} &= \text{Sales} - \text{Cost of good sold} \\ &= 140,000 - 16,000 \end{aligned}$$

(d) Rate of stock turn over

$$\begin{aligned} \text{Rate of stock turn over} &= \frac{\text{Cost of good sold}}{\text{Average Stock}} \\ &= \frac{16,000}{124,000} \\ &= \frac{62}{31} \end{aligned}$$

Rate of stock turn over =

(e) Gross profit margin percentage

$$\text{Gross profit margin percentage} = \frac{\text{Sales} - \text{Cost of good sold}}{\text{Sales}}$$

**Extract 9.1:** A sample of the student's incorrect responses to question 9

**Extract 9.1** shows the response by a student who used an incorrect formula to compute average stock, cost of sales, gross profit and the rate of stock turnover resulted into wrong answers.

A total of 15,608 (20.97%) students with average performance and scores ranging from 3 to 6 marks were able to use the proper formulas in computing (a) *average stock*, (b) *cost of sales*. Most of them failed completely to answer part (e) as they interchanged the formula to calculate gross profit margin with the formula to compute gross profit markup.

As few as 20,297 (27.27%) students performed well on this question as their scores ranged from 6.5 to 10 marks. The majority of them were able to recall and apply the correct formulae, hence arrived at correct answers. Furthermore, most of them attempted item (e) but they could not score full marks on this part because they computed the gross margin in fraction but did not multiply it by hundred in order to get gross profit margin percentage. In addition, some students were able to compute (d) *rate of stock turnover*, but failed to express the rate of stock in its standard units. The standard unit for rate of stock turnover is times. 4,663 (6.3%) students scored full marks as they were able to compute all the required items correctly in items (a) and (e). **Extract 9.2** is a sample of correct responses.

9. The business of Mr. Pesa showed the following information as on 31<sup>st</sup> December 2020. Stock at start Tshs 42,000/=, Sales Shs. 140,000/=, Purchases-Tshs. 78,000/= and stock at 31<sup>st</sup> Dec. 2020 was Tshs 20,000/=. Use the information provided to calculate:

(a) Average stock

SOLUTION.

From;  $\text{Average stock} = \frac{\text{Opening stock} + \text{Closing stock}}{2}$

$$\text{Average stock} = \frac{42,000 + 20,000}{2}$$

$$\text{Average stock} = \frac{62,000}{2}$$

$$\text{Average stock} = \underline{\underline{31,000}}$$

∴ Average stock obtained is 31,000 Tshs.

(b) Cost of sales

SOLUTION.

$$\begin{aligned} \text{From; Cost of Sales} &= \text{Opening stock} + \text{Purchases} - \text{Closing stock} \\ &= 42,000 + 78,000 - 20,000 \\ &= 120,000 - 20,000 \\ &= 100,000 \end{aligned}$$

∴ Cost of sales obtained is Tshs 100,000/=

(c) Gross profit

SOLUTION:

$$\begin{aligned} \text{From; Gross profit} &= \text{Sales} - \text{Cost of sales} \\ &= 140,000 - 100,000 \\ &= 40,000 \end{aligned}$$

∴ Gross profit obtained is Tshs 40,000/=

(d) Rate of stock turn over

SOLUTION:

$$\begin{aligned}\text{From; Rate of stock turn over} &= \frac{\text{Cost of sales}}{\text{Average stock}} \\ &= \frac{100,000}{31,000} \\ &= \frac{100}{31} \\ &= 3.23\end{aligned}$$

∴ Rate of stock turn over is 3.23 times.

(e) Gross profit margin percentage

SOLUTION:

$$\begin{aligned}\text{From; Gross profit margin (\%)} &= \frac{\text{Gross profit}}{\text{Sales}} \times 100\% \\ &= \frac{40,000}{140,000} \times 100\% \\ &= \frac{2}{7} \times 100\% \\ &= \frac{200}{7}\% \\ &= 28.6\%\end{aligned}$$

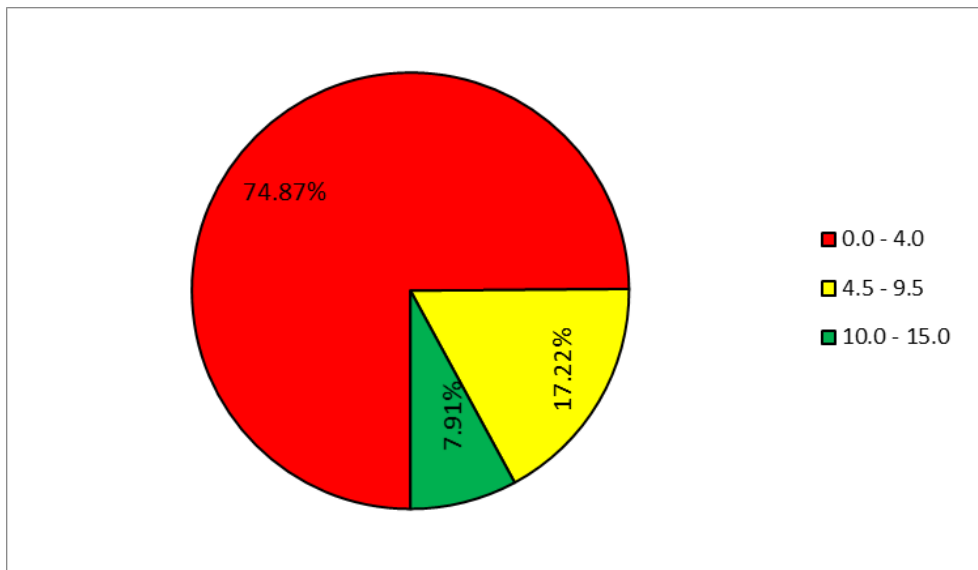
∴ Gross profit margin percentage obtained was 28.6%

**Extract 9.2:** A sample of the student's correct response to question 9

## 2.10 Question 10: Domestic Trade

In this question the students were required to explain services provided by a wholesaler to the manufacturers.

The question was attempted by 74,426 (100%) students, out of whom 55,722 (74.87%) students scored 0 to 4 marks, while 12,820 (17.22%) scored 4.5 to 9.5 marks. Furthermore, 5,884 (7.91%) students scored 9.5 to 15 marks). The overall performance in this question was weak. The summary of this performance is presented in **Figure 10**.



**Figure 10:** *The percentage of students' performance on Question 10*

A total 55,722 (74.87%) students performed poorly. Their marks ranged from 0 to 4. Some of these students provided correct points without clearly explaining them or even providing relevant examples to support them. They had poor command of English language hence their proficiency was very low. There were also some students who misconceived the demand of the question and lacked knowledge of the functions of wholesalers to the manufacturers. They explained the attributes or qualities of a good retailers such as *honest, good buyers, good administrators* and *forecasting demand* instead of analyzing the functions performed by a wholesaler to a producer. Some of them explained the factors to be considered in localization of an industry while others failed to understand the demand of question hence

they explained the importance of industry such as, “*it creates employment opportunities, sources of government revenue, it increases production, it improves people’s standard of living*”. The responses from other students were about the functions of the wholesalers to retailers. A sample of incorrect answer is shown in **Extract 10.1**

10. Mwenyeji is a business man who deals with buying and selling of wheat flour. He buys his stock in bulk from Azam industry in Dar es Salaam and sells the product to different retailers in Mbeya region. In five points, explain how Mwenyeji facilitates Azam industry in its daily business activities.

Stock Administration It is the process of taking care of the number of stocks and to make sure that they are not beyond or below the number. The Stock Administration has different levels that are Average stock, Order point, Minimum stock level and Maximum stock level. Stock Administrations have ways / activities carried out after ordering that are as follows:

The following are the Activities / Functions of Stock Administration of the business:

Receiving of goods:- One of the functions of the stock administration it is to receive the goods, to check if it is the right quantity, quality of goods ordered by the buyer.

Packing of Goods:- Function of Stock Administration One of them is packing of goods according to size, type, colour, to arrange them nicely and to differentiate what is old and what is new.

Caring of Goods:- Among the functions of stock administration it is to care of the goods to clean and dust the goods kept in the warehouse to keep them clean and tidy.

Issuing of Goods:- Among the functions of Stock Administration is that to issue goods to the seller to sell the goods to the buyer of the goods and to know the rate of times of stock turnover.

Stock Control:- It is the physical verification of checking the quantities and to keep the value of goods according to the particular time. There are Stock valuation and stock taking in the administration.

In Conclusion! Warehouse mostly take this stock administration to get the correct number of stocks, to know the profit and the work done by the business, is it beneficial to the business, predict the Maximum and Minimum Stock level.

**Extract 10.1:** A sample of the student’s incorrect response to question 10

**Extract 10:1** shows the response by a student who explained the functions of stock administration instead of explaining the functions or services offered by wholesalers to the manufacturers.

On the other hand, the students who performed averagely on this question were able to give correct responses but with insufficient explanations to some points. For instance, one student explained “*Financing as when we talk about financing means wholesaler he finances those goods that he takes from manufacturer. Transporting of goods, the student wrote that it means he/she transports goods and services from one place to another and he/she when transporting goods takes chance to advertise goods to the people*”. Others scored average marks since they presented fewer points than the number required though with relevant explanation. Furthermore, some students were able to mention the correct points but failed to provide any explanations to the mentioned points.

The students who scored high marks demonstrated good understanding of the assessed subject matter. Most of them managed to identify the functions or services offered by wholesalers to the manufacturers. For example, one of the students explained such functions of wholesalers to the manufacturers as *linking producers and retailers, market research, providing financial support to producers by buying goods in bulk and make prompt payment and providing storage facilities, preparing goods for sale, providing transport services and also stabilising prices*. A sample of good answers is shown in **Extract 10.2**.



10. Mwenyeji is a business man who deals with buying and selling of wheat flour. He buys his stock in bulk from Azam industry in Dar es Salaam and sells the product to different retailers in Mbeya region. In five points, explain how Mwenyeji facilitates Azam industry in its daily business activities.

Wholesale trader refers to the process of buying goods from the manufacturer in large quantities and sell them in comparatively small quantities to the retailers. Somehow the wholesaler contribute to the growth of the producer. The ways through which a wholesaler facilitate producer include:

Financial assistance. Most of the wholesalers buy large quantities and pay in cash. This payment done in cash help to increase the working capital of the producer. Thus the producer may maintain the production of many goods using this money paid by the wholesaler. Also it can be used to adjust the quantity and quality of goods.

Bridging the gap to the retailers. As it has been defined, the wholesaler sells goods to the retailers. Retailers buy goods from wholesalers as they may not have enough capital to buy from the producer directly. Hence the wholesaler through his or her services maintains the relation with retailers and help the retailers to get the producer's products.

Provide storage facilities. When a wholesaler buys goods from the producer, those goods should be transferred and stored in the wholesaler's warehouse. This helps to reduce the amount of goods on the producer's warehouse and then it allows other produced goods to be stored. Also it reduces amount of cost for maintaining of goods in the producer's warehouse.

Advertisement. As a wholesaler advertise the goods he brought from the producer to the retailers, the retailers may get aware of those good and reduces the cost of advertisement to the producer. This helps to increase the working capital since less amount has to be used by a producer for advertisement. This is possible since a wholesaler is in direct contact with a retailer.

Transport facilities. A wholesaler have to transfer the goods he bought from the producer to his ware house or to where he sell. This helps to reduce the burden of transporting goods which could be borne by the producer, hence he can direct his capital to production activities.

Conclusively, the wholesaler plays a great role to encourage production, without wholesalers, exactly production would not be done effectively.

**Extract 10.2:** A sample of the student's correct response to question 10

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

The analysis of performance per topic shows that question 1 which composed multiple choice items set from various topics had a good performance.

Furthermore, topics which had average performance were: *Commerce Basics* 51.22%, *Warehousing Management* (48.24%) and *Production* (46.01%) However, four (4) topics had weak performance. These topics were: *Entrepreneurship* (27.40%), *Transportation* (26.74%), *Domestic Trade* (25.13%) and *Economic Basics* (17.91%). The weak performance in these topics was attributed to students' inadequate knowledge and misinterpretation of questions. The summary of the performance per topic is shown in the Appendix section.

### **4.0 CONCLUSION**

The analysis of performance in 061 Commerce in Form Two National Assessment (FTNA) 2022 shows that the overall performance was average as 50.27 per cent of the students passed the assessment. When compared to the 2021 FTNA performance the results show an improvement of performance by 3.88 per cent. Such improvement is attributed to competency demonstrated by the students in attempting the questions, improved use of English language and their ability to organize the points and proper use of correct formula in calculating business calculation.

### **5.0 RECOMMENDATIONS**

For the better performance of students in this subject in future assessment, it is recommended that:

- (a) Teachers should use different approaches to guide students to learn all topics which involve calculations such as *Warehousing Management*. Furthermore, teacher should provide more exercises and group works on this topic, this will help the learners to memorize the formulas.
- (b) Teachers should guide students to improve their English language proficiency through conducting debates and monitoring the English speaking campaigns in schools.
- (c) Teachers should prepare and give more exercises and assignments to students on topics with weak performance such as *Economics Basics*, *Transportation*, *Domestic Trade* and *Entrepreneurship*. Furthermore,

they should mark those exercises and assignments in order to know the learners' progress.

- (d) By using guiding questions, teachers are encouraged to use study tours as one of the teaching methods in Entrepreneurship and Production topic. This will help students to visit successful entrepreneurs in their immediate environment and production areas so as to learn through observation.
- (e) Teachers should encourage students to participate actively in the learning process. For instance, they can assign students with group activities, then encourage them to present what they have observed before others. This will facilitate the students to learn meaningfully and make the learners be involved directly during the lessons on the topics which are weakly performed.

**Summary of the Students' Performance by Topic in the 2022 FTNA**

<b>S/N</b>	<b>Topic</b>	<b>No. of Questions</b>	<b>Percentage of Students who Scored 30 per cent or Above</b>	<b>Remarks</b>
1	Domestic Trade, Economic Basics, Production, Warehousing Management, Entrepreneurship .	1	87.68	Good
2	Commerce Basics	2	51.22	Average
3	Warehousing Management	9	48.24	Average
4	Production	4	46.01	Average
5	Entrepreneurship	6 & 7	27.40	Weak
6	Transportation	5 & 8	26.74	Weak
7	Domestic trade	10	25.13	Weak
8	Economic basics	3	17.91	Weak

