



CHRISTIAN SOCIAL SERVICES COMMISSION

An Ecumenical Body of Tanzania Episcopal Conference and Christian Council of Tanzania

P.O. Box 9433, Dar es Salaam, Tanzania

CSSC-SOUTHERN ZONE FORM TWO JOINT EXAMINATION

061

COMMERCE

AUGUST 2024

MARKING GUIDE

1.

2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
A	C	D	D	B	D	B	C	C	D

1Marks@ total 10 marks

2.

i.	ii.	iii.	iv	v.
G	E	A	B	D

1 marks @ total 05

SECTION B 70 MARKS

3. (a) Equilibrium price is 60/= and equilibrium quantity is 600 units **01marks @ = 02 marks**

(b) Elasticity of demand $-\frac{(Q_2-Q_1)}{Q_1} \div \frac{P_2-p_1}{P_1}$

$$E.D - \frac{(1000-800)}{800} \div \frac{20-40}{40}$$

$$E.D - \frac{(200)}{800} \div \frac{-20}{40}$$

$$E.D - \left(\frac{2}{-4} \right)$$

06marks

Elasticity of demand is 0.5

(c) The elasticity of demand is **INELASTIC** since it is less than one **02marks**

4. Benefits of entrepreneurship to the Tanzania economy

- Improving the standard of living
- Increase government revenue

- Promotes international trade
- Development of backward areas
- Facilitates economic growth
- Encourage the use of local resources

02marks @ = 10 marks

5. Benefits of self-employment

- i. independence
- ii. Creates job security
- iii. One's own boss
- iv. Financial rewards
- v. no dressing codes

6. Aids to trade

- i. Transport
- ii. Communication
- iii. Insurance
- iv. Banking
- v. Warehousing

7. a. cost of goods sold

Opening stock + purchases – closing stock

$$2000 + 14000 - 2500 = 14500/=$$

b. average stock

opening stock + closing stock

.....

2

$$2000 + 2500$$

$$\dots\dots\dots = 1250/=$$

c. rate of stock turnover

cost of goods sold

.....

Average stock

14500

..... =11.6 times

1250

d. Gross profit

Sales – cost of goods sold

25000- 14500 = 10500

e. net profit

Gross profit- expenses

10500-4000 = 6500/=

8. Functions of wholesaler

- i. Buying of goods
- ii. Selling of goods
- iii. Transportation of goods
- iv. Providing advices
- v. Provision of credit facilities

9. Factors to consider before choosing the mode of transport

- i. cost of transport
- ii. Type of goods to be carried
- iii. Availability of the mode of transport
- iv. Urgency

v. weight of the goods to carried

SECTION C 15 MARKS

10. Characteristics of entrepreneur

i. Risk taker

ii. Focus

iii. Hard working

iv. Creative and innovative

v. decision maker

vi. Self-confident

vii. Goal oriented