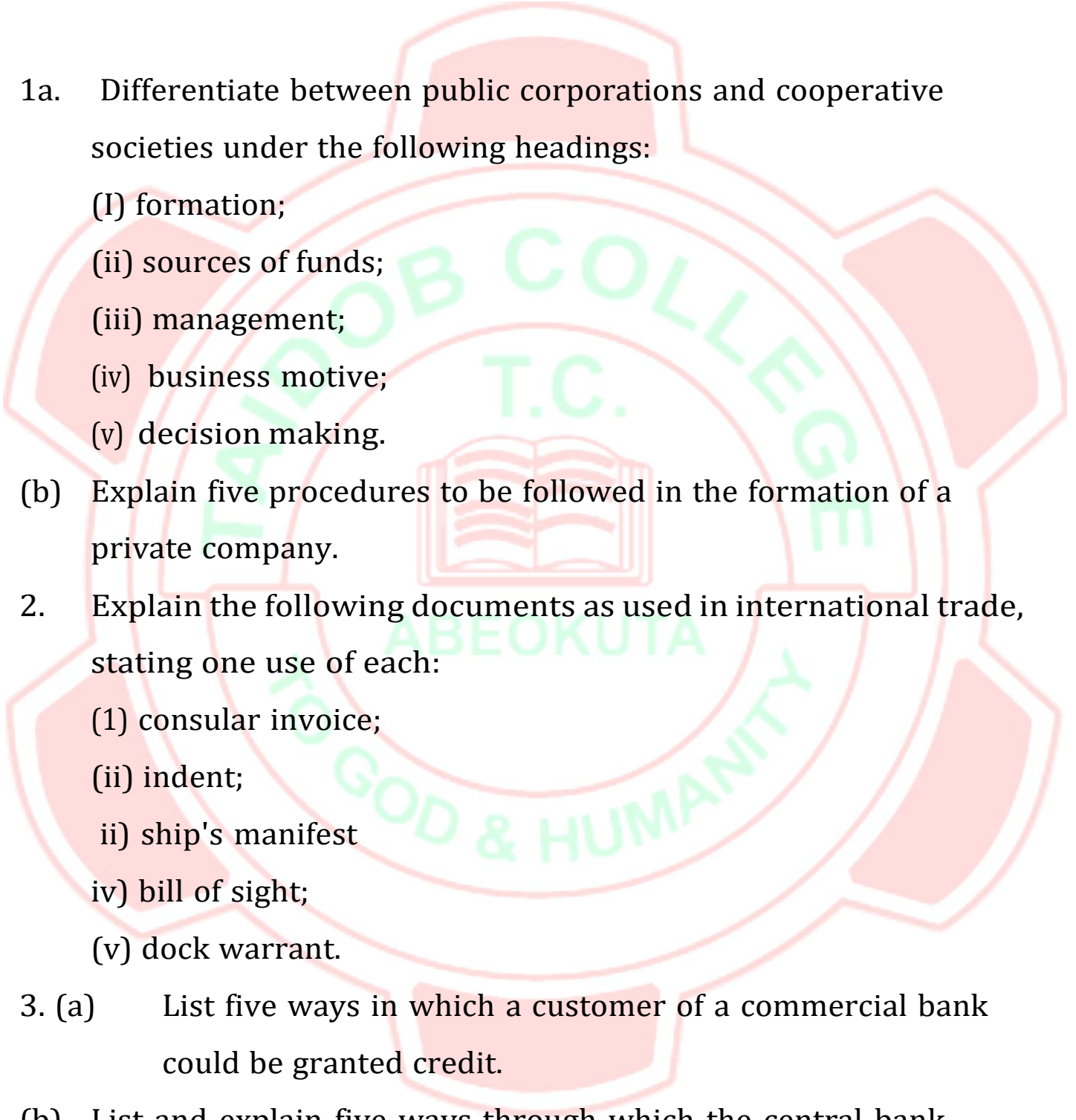


TAIDOB COLLEGE

PRE-WASSCE PREPARATORY ASSESSMENT

COMMERCE

SS3

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- The logo of Taidob College is a large, stylized gear-like emblem. It features a central circular area with an open book and the letters 'T.C.' above it. Surrounding this are concentric circles containing the text 'TAIDOB COLLEGE' and 'GOD & HUMANITY'. The entire logo is rendered in a light green and pink color scheme.
- 1a. Differentiate between public corporations and cooperative societies under the following headings:
- (i) formation;
 - (ii) sources of funds;
 - (iii) management;
 - (iv) business motive;
 - (v) decision making.
- (b) Explain five procedures to be followed in the formation of a private company.
2. Explain the following documents as used in international trade, stating one use of each:
- (1) consular invoice;
 - (ii) indent;
 - ii) ship's manifest
 - iv) bill of sight;
 - (v) dock warrant.
3. (a) List five ways in which a customer of a commercial bank could be granted credit.
- (b) List and explain five ways through which the central bank controls the activities of commercial banks.
4. Ibrahim of Lagos offered to sell second hand car parts to Adams

in Freetown. Adams agreed on the arrangement. Before the delivery date, there was a ban on the importation of second hand car parts into Sierra Leone and Adams cancelled the deal. Ibrahim decided to sue Adams for breach of contract.

- (a) State and explain one reason Ibrahim would not succeed in his action.
 - (b) State two other ways this agreement could have been brought to an end.
 - (C) Explain four terms of sale that would have been agreed upon by Ibrahim and Adams.
5. (a) Differentiate between a stock market and a commodity market.
- (b) List four metals that are traded in a commodity market.
 - (c) Explain four benefits of the commodity exchange.
- 6(a) List four ways through which governments regulate businesses.
- (b) Differentiate between privatization and commercialization.
 - (c) Explain four reasons a country may decide to privatize state-owned enterprises.
7. An accountancy firm that was operating on manual basis decided to use computers in its operations.
- (a) List and explain five computer devices that would be needed in the firm's operations.
 - (b) State five benefits that the firm could derive from the use of computers.
- 8.(a) Explain the following trade terms as written on an invoice:

- (i) 5% trade discount;
- (ii) 10% cash discount;
- (iii) 2% net 30 days.

b) The following information was extracted from the books of Dalempa limited as at 31st December, 2021.

	#
Stock (01/01/21)	30,000
Receivables.	50,000
Overdraft.	15,000
Cash at hand.	40,000
Stock 31/12/21.	20,000
Cash at bank.	25,000

You are required to calculate the following as at 31/12/21:

- (i) current assets;
- ii) current liabilities;
- (iii) working capital;
- (iv) average stock.

9.(a) List and explain two types of communication.

(b) List any five traditional means of communication.

10. (a) Explain the two types of international trade.

(b) List and explain the three classes of external trade