



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



**CANDIDATES' ITEM RESPONSE ANALYSIS
REPORT ON THE ADVANCED CERTIFICATE
OF SECONDARY EDUCATION EXAMINATION
(ACSEE) 2022**

COMMERCE



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152 COMMERCE

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FOREWORD

The National Examinations Council of Tanzania (NECTA) is pleased to issue the Candidates' Item Response Analysis (CIRA) report for Advanced Secondary Education Examination (ACSEE) 2022. The main aim of this report is to provide feedback to educational stakeholders about the performance of the candidates in Commerce subject.

The general performance of the candidates in Commerce subject was good since 1,373 (99.85%) candidates passed the examination. This report analyses the candidates' responses question wise. It highlights some challenges that the candidates faced in answering the examination questions and, some solutions toward those challenges. Further, the analysis shows the reasons for candidates' good, average and weak performance in each question. For example, some of the reasons for the candidates' good performance include: ability to adhere to the demands of the questions, better understanding of the subject matter, and applying competency knowledge in responding to questions. However, a few candidates who scored low marks faced some challenges like insufficient knowledge of the subject matter, and misconceptions to some questions. The recommendations given in this report are intended to help the education stakeholders to improve the performance in the future examinations administered by the NECTA.

Finally, the National Examinations Council of Tanzania would like to thank the examiners, examinations officers and everyone who participated in the preparation of this report.



Athumani S. Amasi
EXECUTIVE SECRETARY

1.0 INTRODUCTION

The Commerce examination consisted of two (2) papers: 152/1 Commerce 1 and 152/2 Commerce 2. The examination tested the candidates' competences as stipulated in the 2010 Commerce Syllabus for Advanced Level Secondary Schools, and in accordance with the 2019 Revised Examination Format.

Each paper had seven (7) essay questions. In both papers, the candidates were required to choose five (5) questions. However, question number one (1) was compulsory in both papers. Each question carried twenty (20) marks.

The analysis of examination results shows that a total of 1,380 (100%) candidates sat for this examination, of which 1,373 (99.85%) passed with grades A to S and 2 (0.15%) candidates failed. The results for 5 candidates were withheld. The ACSEE 2022 results are similar to those of 2021 whereby a total of 1,351(99.85%) candidates passed out of 1,355 candidates and only 2 (0.15%) candidates failed. However, in 2021 the results of two students were withheld.

The performance of the candidates in each question and each topic is categorised as good, average and weak. The performance of candidates in each question is regarded as good if the scores range from 12 to 20 marks, average if the scores range from 7 to 11.5 marks and weak if the scores range from 0 to 6.5 marks out of the 20 allocated marks. Three colours: green, yellow and red have been used to indicate the levels of performance as good, average and weak respectively.

The report analysis includes figures, the extracts of samples of correct and incorrect responses in each question from different candidates, and a summary of the candidates' performance in each question.

2.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH QUESTION

2.1 COMMERCE PAPER 1

2.1.1 Question 1: The Scope of Commerce

This was a compulsory question, and it was attempted by a total of 1,380 (100%) candidates. The candidates were required to oppose a debate motion stating that “Commerce and trade are the same”.

The question was attempted by 1,380 (100%) candidates out of whom 364 (26.37%) scored from 12 to 20 marks, 705 (51.09%) scored from 7 to 11.5 marks, and 311 (22.53%) scored from 0 to 6.5 marks. This question had good performance as 1,069 (77.46%) candidates scored an average and above. Figure 1 summarises the candidates' performance for question 1.

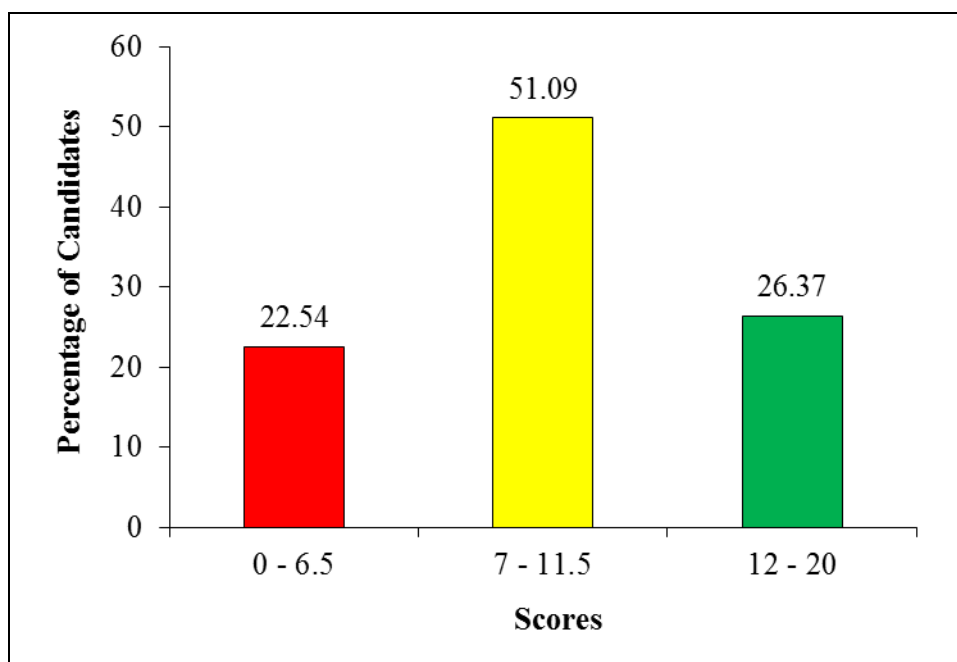


Figure 1: *Candidates' performance for question 1*

The analysis shows that 364 (26.37%) candidates who scored from 12 to 18.5 marks opposed the motion that “Commerce and trade” are the same by providing the difference between commerce and trade. However, there is no candidate who scored all the 20 allocated marks. Most candidates in this category opposed the motion with a sufficient number of correct points but

some of their explanations were not satisfactory to the points mentioned. Extract 1.1 is a sample of the correct responses from a candidate who scored high marks.

1.	<p>Commerce is a study of exchange and distribution of goods and service to from the manufacturer or producer to final consumer or user. Trade is the buying and selling of goods and services. Commerce and trade are not the same. The following are the reasons as to why commerce is not the same to trade.</p> <p>Commerce is a branch of production while trade is the branch of commerce. This means commerce is from production where by there are three branches in production that is industry, commerce and direct services but for trade it is the branch of commerce meaning it is a part of commerce.</p> <p>Commerce it involves all forms of utility while trade involves only possession utility. This means that for commerce involves form, place, time and possession utility to fulfil but for trade it can only fulfil possession utility which is the satisfaction received when the goods are exchange that is trade.</p> <p>Commerce involves process like exchange and distribution from producer to consumer while trade involves only buying and selling processes. This means that commerce exchanges the goods and after then distributes them to the need area for final goods to consumer but, for trade it involves the process of buying goods by consumer and the selling by the producers or traders.</p> <p>Commerce deals with solving all ^{hindrances} needs example hindrance of time, place, finance, person but for trade solves the hindrance of person only. This means that</p>	
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Extract 1.1: A sample of the relatively correct response for question 1

In extract 1.1, the candidate differentiated commerce from trade with relevant points.

The analysis shows that the majority of candidates, 705 (51.09%) scored average marks ranging from 7 to 11.5. Some of them identified the differences between commerce and trade, but could not provide the correct explanations to some of the identified points. Other candidates' responses included repetition of correct points which caused insufficient number of the required points. For example, some candidates explained the point that commerce comprises trade and aids to trade, but they used the branches of aids to trade to differentiate as a separate point like: *commerce consist of trade and insurance, trade and banking.*

On the contrary, 311 (22.53%) candidates scored low marks. These candidates provided incorrect points due to poor interpretation of the demands of the question, and incompetency in the area tested. For example, there were some candidates who differentiated commerce from production, instead of commerce from trade. Further, the analysis revealed that, some candidates' responses showed that commerce and trade are similar. The following are examples of responses from one of the candidates: *Commerce and trade are all aimed at profit, they are both use advertising to let customers being aware of their products, they all create human utility and they are all the branches of production.* Many candidates scored some marks as they were able to distinguish the terms through their definitions. Extract 1.2 is a sample of an incorrect response for question 1.

01	<p>Commerce is involves trade and aid to trade. Trade involves buying and selling of goods and services. There are two types of trade include foreign trade foreign trade and domestic trade. Aid to trade is the monthly running of the business. The following are factor which make up aids to trade and make different between trade and commerce;</p> <p>Transportation, According to this transport is the physical movement of goods, people from one place to another. Through transport commerce used transport to transport goods from one place to another, also promote trade, employment opportunities to the people and many others.</p> <p>Communication, In this case communication is the transfer of information from one person to another. In which communication it facilitate business transaction, it can save life or property, it enable transmission of information from employer to employee, provide consumer's choice.</p> <p>Advertisement, Due to this advertisement is the spreading of information about available goods to the public. In which it inform the public about availability of goods, create demand to the people, create brand loyalty, inform the people about new uses how it work and operate, remind consumer about existing product, keep company's image to public eye.</p> <p>Insurance, Due to the fact insurance is the pooling of risk together by contribute small amount of money comparable with the total loss actual loss. In which it offer compensation, promote trade, give confidence to the business owner, it act as saving, it act as collateral security.</p> <p>Banking, Under this bank is an institution which accept deposit, offer advice and advance loan to the public. Through bank are many types of banks include central bank, commercial bank, saving bank, cooperative bank and many other. In which bank provide loan to the public. Agent</p>	
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Of	and keeping of deposits which is very important.	
	Market research. Through this market	
	research enable business or organization to search for an idea which can	
	make up to come with ideas which is profitable to the business. By	
	this market research helps to stabilize price and many others.	
	Generally, Through this aids to trade	
	we can get different between commerce and trade and which is very im- portant to the people who deals with trade.	

Extract 1.2: A sample of the incorrect response for question 1

In extract 1.2, the candidate explained the use of aids to trade in both commerce and trade, instead of opposing the motion that ‘commerce and trade are the same’.

2.1.2 Question 2: Advertising

This question asked the candidates to clarify six types of e-commerce according to the parties involved in the transactions to Mr. Biashara; a wholesaler who carried out his business in Mwanza, Tanzania.

The question was attempted by 256 (18.6%) candidates of whom 44 (17.18%) scored from 0 to 6.5 marks, 93 (36.34%) candidates scored from 7 to 11.5 marks, and 119 (46.48%) candidates scored from 12 to 20 marks. The candidates’ performance was good because 211 (82.82%) candidates scored from 7 to 19.5 marks. Figure 2 summarises the candidates’ performance for question 2.

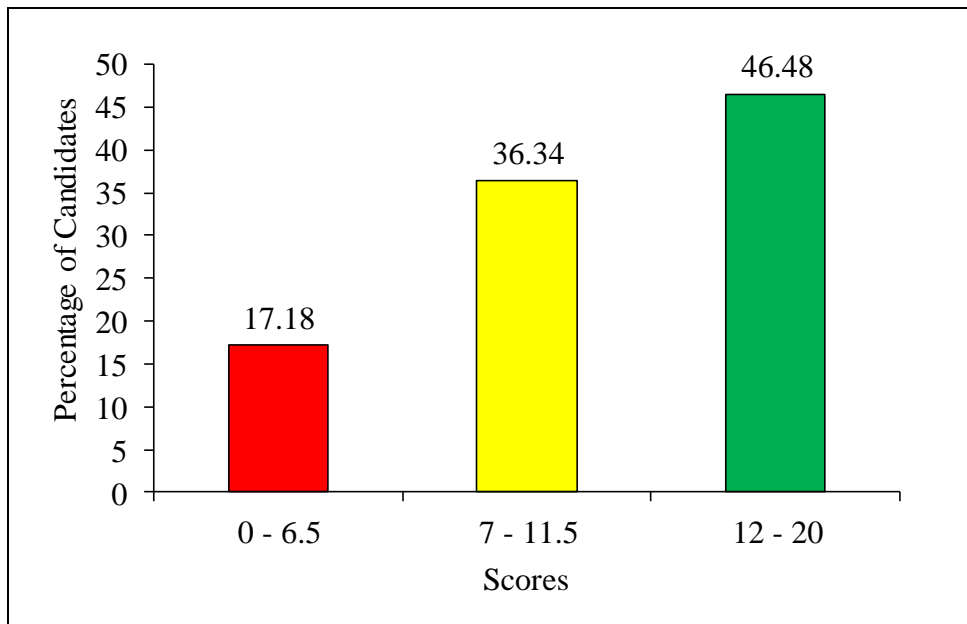


Figure 2: *Candidates' Performance for Question 2*

The data shows that 211 (82.82%) candidates scored marks ranged from 7 to 19.5. The candidates who scored high marks clarified the types of e-commerce by considering the parties involved in the transactions. Some of them explained at least 4 to 5 types out of the six required. The parties involved in the transactions include: producer, consumer, government and business/company. The parties involved are the ones used to determine the type of e-commerce one has to engage in.

The candidates who scored average marks mentioned almost all the types of e-commerce correctly, but failed to clarify some of the types because they mixed the explanations of the parties involved. The candidates' scores varied according to their ability to clarify the types and providing the sufficient number of points. Furthermore, some candidates provided insufficient explanations to some of the correctly mentioned types of e-commerce. Extract 2.1 shows a sample of the correct responses from a candidate who scored high marks in question 2.

2.	<p>E-commerce refers to the trade activities of buying and selling physical and digital commodities electronically through the internet. It can be conducted through the use of smartphones, laptops, tablets and computers without physical contact between seller and buyer at the time of transaction. A wholesaler is a person who buys goods in large quantities from manufacturers and selling them to retailers in affordable quantities. The following are the type of e-commerce according to the parties involved in the transaction:</p> <p>Business to Business; This is the type of e-commerce where various Manufacturers trade off different goods to each other online. For example agricultural inputs such as cash crops to manufacturing industries such as cloth making industry. For example "ALIBABA" online shop allows different manufacturers and traders to transact by selling reasonable price and usually involves buying and selling goods in bulk.</p> <p>Business to Consumer; This is an e-commerce platform where various traders especially retailers sell their goods to the financial consumer. They usually sell household items such as furniture, electronics and clothings. Customers are given price discounts to encourage them to purchase more items. For example "KIKUU", "JUMIA" and "EBAY" are apps that connect traders with consumers.</p> <p>Consumer to business; This is when the consumer finds potential professionals online to help them perform particular tasks. Big companies and consumers require web design, app development and other technical assistance. They post different projects online of which the experts such as web designers</p>	
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2.	and domain developers bid to undertake to complete a certain tasks. In return they are paid small fees without having to physically move worldwide. Examples of websites that offer such service is "LINKED IN" and "SKILLSHARE"	
	Consumer to consumer; this involves the final consumers trading amongst themselves especially in trading new to second hand objects like furniture, electronics and other appliances. Examples of apps offering such services include "OLX" "KUPATANA" and also "FACEBOOK" under buy and sell section.	
	Government to consumers; nowadays the government can sell their services to the final consumers without having to make a que or line to purchase such services. Through mobile phones and internet banking as well as sim banking, customers automatically pay for bills such as water and electric bills also tax collection and purchasing government securities through "GEPG" system	
	Business to government; traders can now market their products to various government organs such as marketing boards. For example nowadays agriculturalists are establishing various websites and online business to sell to the government. For example marketing of agricultural goods such as "Cotton" cotton, sisal and coffee.	
	To sum up, there are various advantages for both government, businessmen and consumers. To the business it facilitates expansion of the market, to the consumer wide variety of goods at cheaper prices and to the government source of revenue	

Extract 2.1: A sample of the correct response for question 2

Further the analysis of the candidates' responses indicates that a few, 44 (17.18%) candidates scored low marks in this question. This is a result of lack of knowledge of the types of e-commerce, and misconception of the requirements of the question. There were some candidates who mentioned some types of e-commerce but failed to clarify the mentioned points correctly. For example, one candidate mentioned the point of consumer to consumer and consumer to business, but interchanged the explanations. Other incorrect responses given by these candidates included

communication media used to facilitate communication between the parties such as: *smart phone, slide presentation, video presentation, internet, and social media*. Some candidates' responses showed the importance of e-commerce to commerce and their responses were such as: *it easier communication, it reduces cost of transport, it enables the customer to see the product(s) he/she wants before buying them, it reduces advertising costs and it creates good relationship between buyer and seller*. In addition, a few candidates explained the general importance of commerce, instead of the types of e-commerce according to the parties involved in the transactions. Extract 2.2 is a sample of incorrect responses from a candidate who scored low marks.

2.	E-commerce This is the buying and selling of goods through the internet. Normally this kind of business termed as e-tailing. The people tend to buy goods and sell goods through the internet. This kind of method has become more popular in the world. Therefore the following are the types of e-commerce which are used in e-commerce.	
	Internet: This is one of the kind of e-commerce which used. The people tend to exchange their currency and makes payment through the internet. So this type of e-commerce is most popular in the world now days.	
	Website: Also this is another kind of e-commerce which used in buying and selling of goods and Also the payment & transaction is used since it connect two parties in communication. So this is another kind of e-commerce.	
	E-mail: Also this is another kind of e-commerce which involved in the transaction. E-mail also used in buying and selling of goods, a person can order the goods from China to Tanzania by using e-mail and payment also can be made through e-mail.	
	Communication through telegram: Also this is another kind of e-commerce where by a person can communicate with another to buy and sell the products and the payments can be made through telegram. So this is also used in e-commerce.	

Extract 2.2: A sample of the incorrect response for question 2

In extract 2.2, the candidate explained some tools that facilitate e-commerce, instead of the types of e-commerce according to the parties involved in the transactions.

2.1.3 Question 3: Banking

In this question the candidates were required to explain the reasons for the deteriorating performance of the banking industry in Tanzania.

The question was opted by 1,116 (80.9%) candidates. Data analysis shows that the performance for this question was good since 1,091 (97.76%) candidates scored from 7 to 20 marks. The scores in this question show that 929 (83.24%) candidates scored from 12 to 20 marks, 162 (14.52%) scored from 7 to 11.5 marks while 25 (2.24%) candidates scored from 0 to 6.5 marks. Figure 3 is a summary of this performance.

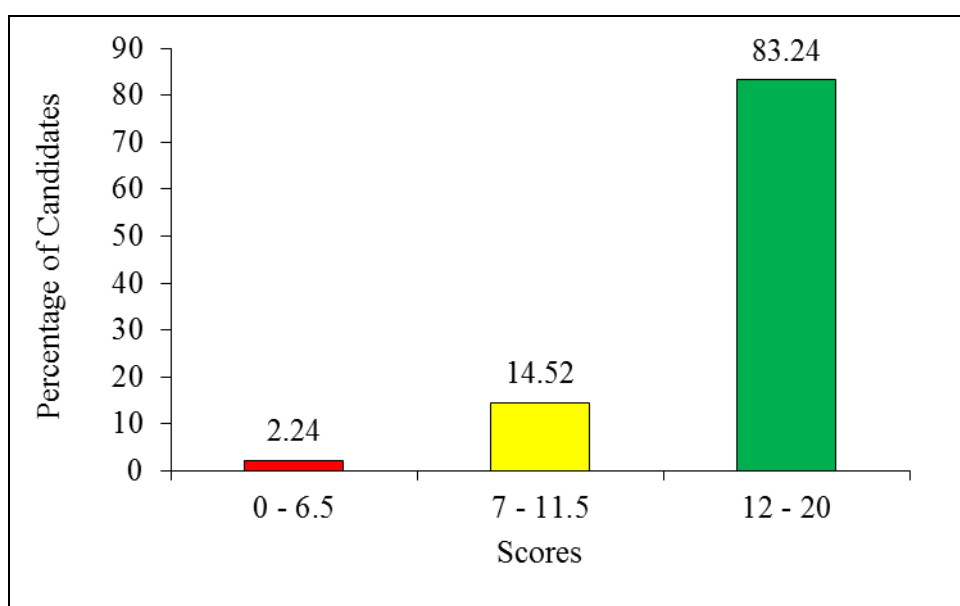


Figure 3: *Candidates' Performance for Question 3*

Figure 3 shows that only 2.24 per cent of all candidates scored low marks ranging from 0 to 6.5, while the majority 1,091 (97.73%) candidates scored high marks.

The candidates with high scores in this question explained correctly most of the reasons for the deteriorating performance of the banking industry in Tanzania, with relevant introductions and conclusions in their responses. Some of the correct points include: *poverty, lack of confidence from the bank customers, profit repatriation, failure to pay back the loan, lack of information and education to customers, increase of foreign and local financial institutions, introduction of e-money services and insufficient committed and qualified staff*. Their good performance was attributed to better understanding of the requirement of the question, adequate knowledge of banking and good mastery of essay writing skills. Extract 3.1 is a sample of the correct responses by one of the candidates who performed well in this question.

3.	Banking industry: It refers to the industry which involves all process involved in mobilization of savings by depositing sum amount of money in banks. Banks are institutions which are involved in mobilizing of savings, accepting deposits, transferring funds, issuing cheques among people in the commercial world. Examples of Banks currently found in Tanzania include National Microfinance Bank (NMB), Cooperative and Rural Development Bank (CRDB), National Bank of Commerce (NBC), Stanbic Bank, Barclays Bank, Amara Bank (AB), and Exim Bank (EB). All these banks are controlled and monitored under the supervision of Central Bank of Tanzania (BOT) which was established in 1965 soon after independence and started its operation on 1966.
	The following are the reasons why the banking industry in Tanzania is deteriorating:
	Low level of saving: In Tanzania most of Tanzania they have a little habit of making saving for themselves in banks due to negative attitudes that their cash might be stolen or disappear in the banks. Also the low saving habit among the Tanzanians is due to poverty level of individuals in which the income they generate it's for the daily consumption and no further disposable income is left for them to save, and this has lead to closure of some banks since there is no deposits of individuals for further running of banking services such as

3.	provision of credits and so on. For example most of rural areas like in villages banks have closed their branches due to low saving habit for instance Fairika bank was closed.	
	Low level of borrowing: In Tanzania most of them they have low level of borrowing in commercial banks due to lack of collateral security, whereby some of them during applying for loan they are not accepted due to lack of collateral security such as land, share and stock certificate, warehouse release warrant and so on. Also low level of borrowing is due to high interest rates on loan or credit given which is imposed by the commercial banks by the order of Central Bank, therefore they fear to borrow money from banks due to the reason that they will pay more when they pay loans. For example in most of farmers they prefer to borrow from non-financial institutions such as VICOBA and SACCOs. In order to promote the level of borrowing the central bank should lower the rate of bank interest and also lowering the margin requirement (the difference between the value of collateral security and the amount of loan).	
	Lack of enough skilled personnel: The banking industry in Tanzania has failed to develop due to lack of enough and efficient staff for operating banking industry therefore causing the number of people to disqualify to be employed in the industry. The existence of more skilled personnel will increase efficiency	

and productivity of the workers and as a result increase in economic growth and development of commercial world. For example most of accountant do not have the knowledge of computer this makes them to lack efficiency, also some accountant do not have Certified Public Accountant (CPA) which limits them to be employed in banking industry. To add with Certified Public Accountant (CPA) is an examination made by the National Board of Accountant and Auditors (NBAA) which is given to the people who want to be qualified as an accountant.

Low level of science and technology:

In Tanzania especially the banking industry have the problem of having low level of science and improved technology which will facilitate payments in various places of the country. for example in some areas especially rural areas have no access to Automatic Teller Machines (ATM) for facilitating withdrawal of financial services or bank agents (wakala) for making deposits and withdrawal of funds. Also low level of science and technology in some banks with no computers or other electronic machines which are modern for facilitating transaction activities. Science and technology should be improved in ^{both} rural and urban areas to facilitate transfer of funds from different part of the country easily and successfully without delay of money to reach the intended user.

3.	Government interference: The government
	has been making variety of policies which interferences with the working of commercial banks through Central Bank. For example increasing bank rates which discourage borrowing or policy of increasing reserve requirement which reduce the amount of money in the commercial banks for making credit facilities.
	Stiff competition among banks: The competition among banks is due to establishment of many banks which do not have customers due to reasons such as lack of persuasive or it's not widely known, it has lead to closure of some banks. Banks compete for customers so in case of competing they may charge for instance low bank interest rate or imposing high interest on deposit, so in the long run the firm/bank may operate under normal profit or loss and as a result the owner may decide to close the bank. For example banks such as Faidika Mkombozi lost customers.
	In general, the privatisation of banks in Tanzania after independence have lead to improvement in banking industry due to injection of new foreign technology and capital, more employment opportunities, allowing more lending and borrowing and so on.

Extract 3.1: A sample of the correct response for question 3

Despite the good performance in this question, few candidates (2.24%) had weak performance as their scores ranged from 0.5 to 6.5 marks. Some of the candidates' responses include a few correct points such as *high interest rated on deposits*, *incompetency staffs*, *introduction of e-money* and *failure of borrowers to pay back the loans*, however the explanations given to the points did not match to the mentioned points. Some of these candidates included in their responses incorrect points like *trade barrier*, *problem of*

balance of payment, increase in exchange rates, dependency and income inequality. The points were incorrect because they are the challenges of international trade. They were supposed to know that at the beginning customers joined the banks services, but they lacked correct information and education about banking industry. Therefore, after sometimes they decided to drop from bank services due to inadequate information. *Profit repatriation* is also one of the reasons for the decline in the bank performance. Some candidates mentioned and explained it as a way in which the profit is distributed to bank members. They were supposed to explain that profit reputation affects the development and improvement of banking industry because the foreign banks take part of the generated profit, to their countries, hence the decline in the performance. Extract 3.2 shows a sample of incorrect responses from a candidate who scored low marks.

3	<p>Banking industry; is the financial institution that facilitate deposits of money, and provision of the education and advice to the both government and an individual or firm. The following are deteriorating of the banking industry in Tanzania:</p> <p>Create employment opportunities: Banking industry in the country, create employment opportunities in different sectors. An individual could be employed as an accountant that mean cash holder.</p> <p>Promote international trade; This is also the deteriorating of banking industry where by international trade through easy transfer of trade such as the infrastructure and in terms of currency.</p> <p>Provision of social services to disabled people: Banking industry is deteriorating to Tanzania as it provide social services such as health services, electricity service and provision of education service to the members.</p> <p>It encourage economic development; Banking industry in Tanzania is deteriorating as it encourage economic development in the country as the bank has to involve itself in the investment in different companies as to increase economic development in the country.</p> <p>Banking industry facilitate payment of National debts; This is deteriorating of banking industry in Tanzania as bank enable to facilitate and easy pay the debts of the national that the other countries own's Tanzania.</p> <p>It facilitate the provision of loans; Banking industry provide loans especially to the business owners as to promote his/her business capital and facilitate to the development of the business which will enable</p>
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3.	No improvement of living standard of the people due to the increase and booting up of sales. Hence to the banking industry in Tanzania is deteriorating.	
	Therefore, Banking industry is divided into sever banks such as current bank, central bank, Fixed bank and Saving bank.	

Extract 3.2: A sample of the incorrect response for question 3

In extract 3.2, the candidate explained the importance of bank to the community, instead of the reasons for the deteriorating performance of the banking industry in Tanzania.

2.1.4 Question 4: Warehousing

The question required the candidates to use four points to convince Mrs. Kazi, an importer of second hand clothes on the benefits of using bonded warehouse. They were also required to tell her how the government benefits when Mrs. Kazi uses a bonded warehouse.

This question was opted by 1,243 (90.1%) candidates out of 1,380. Data analysis shows that 784 (63.08%) candidates scored from 12 to 20 marks, 383 (30.81%) scored from 7 to 11.5 marks, and 76 (6.11%) scored from 0 to 6.5 marks out of 20. This shows the good performance in this question since 1,167 (93.89%) candidates scored 7 marks and above as illustrated in Figure 4.

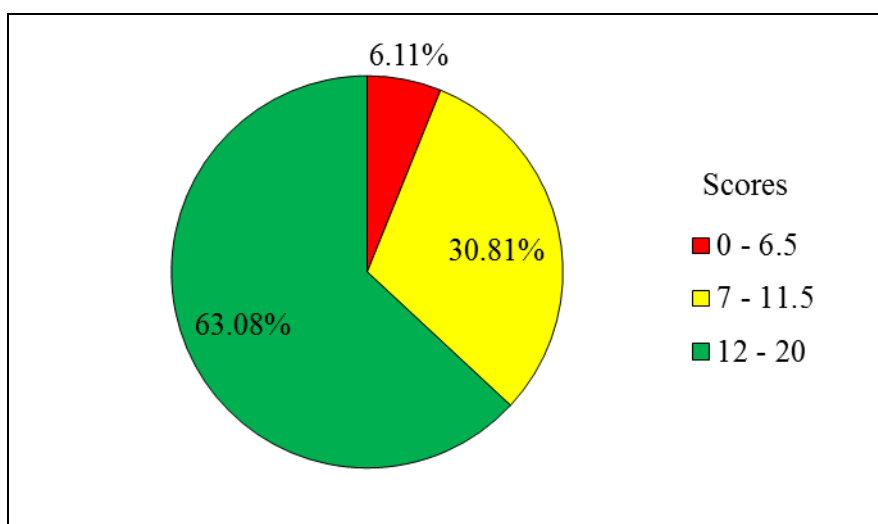


Figure 4: Candidates' Performance for Question 4

Candidates who scored high marks understood the functions of the bonded warehouse; therefore, they explained the benefits of bonded warehouse to both importers and government. However, most of these candidates did not score full marks because they provided insufficient explanations to some of the benefits, especially the benefits of bonded warehouses to the government. The correct point explained by the majority on the benefits to the government was *the source of government revenue*. Some candidates explained the points which reflect the general functions of a warehousing, instead of being specific to the government. They were also supposed to know that apart from revenue collection function, warehousing also performs the other functions such as; *control of prohibited products, record keeping and reduce the rate of tax evasion*. The majority of candidates in this category presented their responses in essay form with relevant introduction and conclusions. Extract 4.1 is a sample of the correct responses.

4.	Bonded warehouse: These are warehouse which store	
	Imported goods which have not yet being paid a	
	custom duty and also (Keep) store goods which are	
	nearly to be exported. These warehouse they are	
	normally located near port areas.	
	The following are Importance of bonded warehouse to	
	traders (importer)	
	preparation of goods for sale while in bond: importer	
	like Mrs. Kazi can benefit from storing her goods in a	
	bonded warehouse for she can continue processing the	
	goods before selling them. This saves time and also	
	reduce cost to the importer hence she can meet ^{promote}	
	time and place utility. such preparation can be branding & grading.	

	selling of goods while in bond: An Importer like	
4.	Mu Kasi she can decide to sell her goods while in bond	
	and after sell she can use the money to make payment on	
	that bonded warehouse hence pre minimize risk of out	
	going of fashion by selling goods on time.	
	Duty paid installment: As long as the goods are	
	in bonded warehouse importer is given an ample time	
	to make installment payment until all the cost is being	
	paid hence create more time for importer to deal with	
	other trade activities as payment is slowly in form of	
	installment	
	looking for market: While the goods are in the bonded	
	warehouse importer may decide to search for a favorable	
	market for her to sell out her product these will simplify	
	and minimize cost that will result to more higher	
	expenditure incurred by the importer.	
	On the other side the government may as well benefit	
	from good imported through bonded warehouse.	
	minimize tax evasion: through storage of goods in	
	bonded warehouse no trader can evade from paying tax hence	
	the government collect tax effectively and hence increase	
	government revenue thus boost the economy.	
	check of smuggling: Also through storage of goods	
	through bonded warehouse the government can check and	
	check goods imported and those to be exported whether	
	they are legally allowed by law and they are lawful	
	to deal with them hence protect the market from dealing	
	with illegal business	
	conclusion: bonded warehouse they are important to	
	both trader and government they have to be in good	
	organization by following these mechanical handling precautions	
	against fire, precaution against theft, exception and precaution	

Extract 4.1: A sample of the correct response for question 4

In extract 4.1, the candidate explained the benefits of bonded warehouse to both importer and the government.

There were candidates who score 7 to 11.5 marks. The candidates had partial knowledge of the benefits of bonded warehouse to both customers and the

government. The analysis shows that most of these candidates highlighted the benefits to importers, and did not respond on the benefits to the government. However, a few candidates mixed some advantages with the importance of warehousing. For example, a response from one of the candidates was: *preparation of goods for sale, selling of goods when they are in the bonded warehouse, it provide employment opportunities, it create place utility and price stabilization*. The first two points were the correct benefits of warehousing to importers, but the rest were the importance of warehousing. Others highlighted the correct points with unrelated explanations to some of the points.

Furthermore, the analysis shows that 283 (30.81%) candidates had weak performance in this question. These candidates had insufficient knowledge of warehousing, particularly the types of warehouses and their benefits to both customers and the government. Some candidates identified the benefits of bonded warehouses, but failed to distinguish those that suit the importer, and those which are appropriate to the government, therefore interchanged the benefits. In addition, the analysis of the candidates' responses shows that, some candidates explained the benefits of bonded warehouse to the public instead of the importer and the government. Few of these candidates explained the benefits of warehouse to the public like; *source of employment opportunity, improvement of living standard and buying goods at fair price* instead of the benefits of bonded warehouse to Mrs. Kazi (importer) and the government. The following extract presents incorrect responses from one of the candidates.

4.	<p>Bonded warehouse is a type of warehouse where they decide to store different kind of goods and services. This type of warehouse is for the Traders (Importer and exporter) in transporting their goods to different places. The following are the importance or benefits of bonded warehouses.</p> <p>It facilitates anticipation, whereby warehouse deals with storing of goods which will be needed at future. whereby the warehouse keeper decided to make a contract with Owner of commodities on which day should be released in the warehouse.</p> <p>It creates employment opportunities a good example is Traders, drivers, warehouse keepers, whereby it helps the process of industry warehouse to undertake in a certain place. In this creation of employment it involves the security guards who they deal on the safeguarding the commodities.</p> <p>It creates mass production, whereby in warehouse it involves storage of goods whereby it helps to provide more effort to the producers on manufacturing of more goods and services in market and has the insurance on the place to keep.</p> <p>It stabilizes price. In bonded warehouse, it receives goods to the manufacturer whereby it is easy to calculate the amount of money to be charged on every commodity in the warehouse. a good example every warehouse has different charges on commodities because of different operational costs such as Tax, Transport and Communication.</p> <p>It offers protection. In bonded warehouse</p>
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this means that bonded warehouse helps in	
safeguarding other people's properties which	
will be in use in future. absence a good	
example of different warehouses from risk,	
like fire, damage.	
Creates utility. warehouse also	
satisfy the needs of consumer by safeguarding	
the properties until for the future use. In	
warehouse also provides some collateral security	
to the owner of the commodities, which will help	
the owner of commodity to obtain a loan in	
the bank.	
Conclusion; The above are the importance	
of bonded warehouse and also there some other	
types of warehouse which are Special	
warehouse, Cooperative warehouse, Regulated	
warehouse	

Extract 4.2: A sample of the incorrect response for question 4

In extract 4.2, the candidate explained the importance of warehousing, instead of the benefits of bonded warehouse to importers and the government.

2.1.5 Question 5: Insurance

This question required the candidates to assess six factors to be considered in determining the amount of premium to be paid to guide the actuary (insurer) to respond to the customer's inquiry.

A total of 1,300 (94.2%) candidates attempted this question of whom 956 (73.54%) scored from 12 to 20 marks, 309 (23.77%) scored from 7 to 11.5 marks, and 35 (2.26%) scored from 0 to 6.5 marks out of 20. The overall performance for this question was good because 1,265 (97.31%) candidates scored from 7 marks to 20 marks. Figure 5 summarises the candidates' performance for question 5.

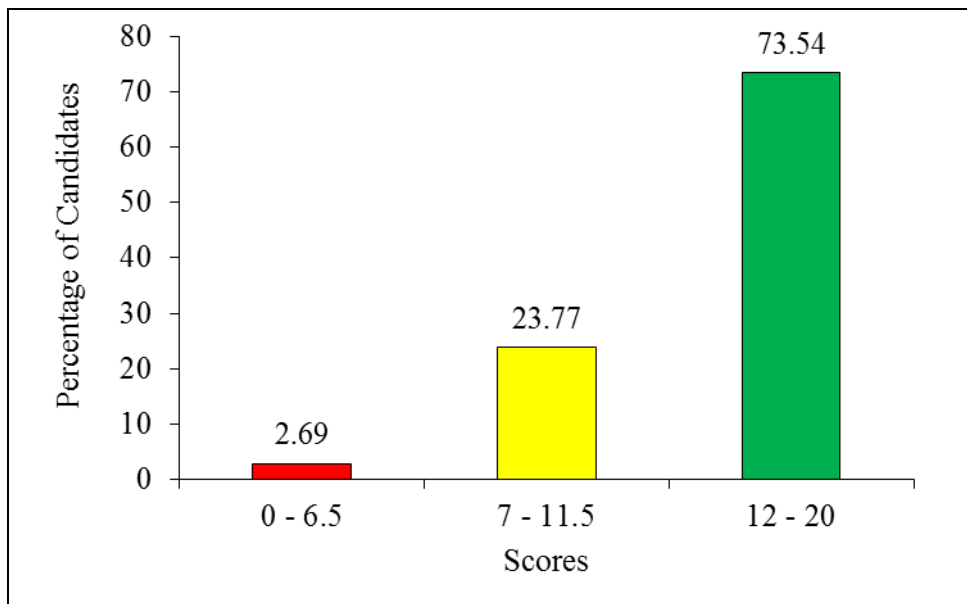


Figure 5: *Candidates' Performance for Question 5*

Figure 5 shows that most candidates (73.54%) scored 7 marks and above. This reflects that they understood the procedures to obtain a cover note from which the computation of premium to be paid is done. They assessed the factors that are considered in determining the premium to be paid by insured according to the demands of the question. Among them, 15 candidates scored all the 20 marks as they correctly assessed the factors as required. Most candidates in this category assessed most of the factors correctly. However, a few factors missed some of the key points. For example, *the level of precaution taken*, the assessment should be made on the precautions that the insured had taken against the products insured like installing fire extinguishers to reduce the risk. One of the candidates explained such factors as; re-insurance whereby the insured insures his property/life in more than one insurance company.

In addition to that, another factor which was incorrectly explained by the candidates in this category was *statistical records*. Some candidates explained it as recording business transactions in the book of account, while it is all about the frequency of the occurrence of loss against which the property/life to be insured happens. Similarly, other candidates mentioned the required points correctly but reversed some explanations because they were not aware of the situation that the insured is highly charged more premiums. For example, *the number of applicants*; the candidates explained

that if the number of applicants in a certain risk is high the premium to be paid is high. They were wrong because if the number of applicants is higher, premium is going to be low because the risk is spread to many applicants. Likewise, the factor of the age of a person, the candidates reversed the explanation that young people pay high premium as they are energetic than old people who are affected with frequent illness and sometime death, hence pay low premium. Further the analysis shows that some candidates explained at least three correct factors with relevant introductions and conclusions for their responses. Extract 5.1 is a sample of relevant response for question 5.

5	<p>Premium refers to The amount of money that the insured pays to the insurance company upon after stating the event through which when loss occur should be compensated by the insurance company. Premium paid in the insurance company can be high or low depending on various factors.</p> <p>Therefore the following are the factors to guide the actuary in determining the premium to be paid:</p> <p>Nature of the property; Premium can be paid high or low depending on the nature or the characteristic of the property. Therefore for the property which are fragile or they are easily breakable they are charged high premium than the properties which are not fragile they can be charged a low amount of premium.</p> <p>Type of the policy; Also premium can be determined through the type of the policy covered hence when a particular type of policy it covers against motor vehicles or Airplanes the premium the amount of premium to be charged must be high compared to the policy which covers a house or a shop the premium will be low.</p> <p>Age of the property; When the property insured it has stayed for a long period of time means the event against the loss insured will likely happen easily. Therefore the premium charged will be high compared to the property that is new even its destruction won't likely be easily to occur therefore it will be charged low premium for example an old house and a new house the old house will be charged high premium compared to the new one.</p> <p>Age of the person; for the case of Life insurance the age of the person is included as a factor to determine the amount of premium to be paid, therefore people or the adults who age is very high are likely required to pay higher premiums than young people since it is believed that the</p>	
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5	old people experience different health problems which it may likely lower their body immunity and eventually it lowers their life expectancy than the young who are believed to have a high life expectancy than the old so their premium will be low compared to the Adults or Old people.	
	Level of precaution; The insurance company also looks upon the degree of precaution for instance when a person insures his petrol station the precautionary things are like Fire extinguishers when that petrol station have fire extinguishers and other precautionary objects the amount of premium paid will be low compared to the one who have no any precautionary object for the cause of an event example fire hence he will be charged a high premium.	
	Statistical records; But also the insurance company looks on the occurrence of that particular event of the place that the insured stated, hence when the level of occurrence of that risk is high on that particular place even the premium charged will also be high but when the degree of occurrence is not likely to happen the amount of premium charged will be low.	
	Generally, An actuary before insuring his property or any thing he/she should know how much premium will be charged on the thing which he or she wants to insure. But all in all the main aim of the insurance company is to offer compensation to the ones that suffer an actual loss.	

Extract 5.1: A sample of the correct response for question 5

Extract 5:1, shows for that the candidate understood the requirements of the question but also familiar with the factors necessary in the computation of insurance premium.

The candidates who scored low marks (0 to 6.5) in this question had inadequate knowledge of the factors to consider when computing premium to insured. The majority of candidates listed a few factors, but they were not conversant with the factors required. This is justified by the candidates' responses which included a few correct factors, and a lot of incorrect factors for determining the amount of premium to be charged. For example, the response from one of the candidates was: *age of the insured, age of the dependents, the value of goods, coinsurance, subrogation and proposal form*. The first point and the third one were correct factors, but the candidate provided unrelated explanations. In the point of the *age of the insured* the candidate wrote that *the insured must have 18 years, and above* which is the

condition for taking up insurance. He/she failed to realise that the age of the insured is necessary to determine the premium in the sense that, in case of life assurance old people are charged with high premium. The value of the property to be insured was explained as the *perishable and durable goods* which was wrong. The other mentioned points included the principles of insurance with some terms used in insurance. Some candidates explained the principles of insurance such as, *utmost good faith*, *insurable interest*, *indemnity*, *contribution* and *proximate cause*. Extract 5.2 is a sample of a response from one of the candidates with low marks for question 5.

5.	Insurance is the process of contributing sum amount of money by the insured to the insurance company for the aim of being compensated on the event of loss. for example the insured can insure his car against fire accident.
	Insurance company, this are registered company who provided insurance cover to the public. and the Premium is the payment made by the insured to the insurance company in order to be compensated in future if event of loss occur. An actuary looking to the following factor in order to get the premium to be paid by insured.
	The value of the property. In order to calculate the premium to be paid an actuary need to know the actual value of the property need to be insured by the customer.
	He/she need to know the property needed to if the one insured is the owner of the property.
	He/she need to apply the principle of insurance of utmost good faith.
	The property insured must be have direct relation with the one insured, the principle of Insurable Interest must be applied.
	Proximate Cause. The insured need to maintain the cause /event need to insured against is property in order to be clear of the insurance company to provide compensation on the time of event occur and for the actuary to calculate the cost to be paid as premium.
	Time /period of time for the property to be insured. The actuary need to know the time needed by insured/customer to insure his property.

Extract 5.2: A sample of the incorrect response for question 5

In extract 5.2, the candidate highlighted some principles of insurance, factors to determine premium and other irrelevant points. The first and the last paragraphs highlighted the correct factors with incorrect explanations. The candidate also lacked essay writing skills.

2.1.6 Question 6: Transport and Communication

The candidates in this question were required to describe six common transport documents issued by transport companies to the customers, or agents when transporting goods through different modes of transport. The question intended to test the candidates' understanding of the common documents which are used for transporting goods.

The analysis shows that the question was attempted by 577 (41.8%) candidates of which 372 (64.47%) scored from 12 to 20 marks, 148 (25.65%) scored from 7 to 11.5 marks, and 57 (9.88%) scored from 0 to 6.5 marks. The performance for this question was good as 90.12 per cent of the candidates who opted it scored 7 to 20 marks. Generally the overall performance for this question was good. This performance is illustrated in Figure 6.

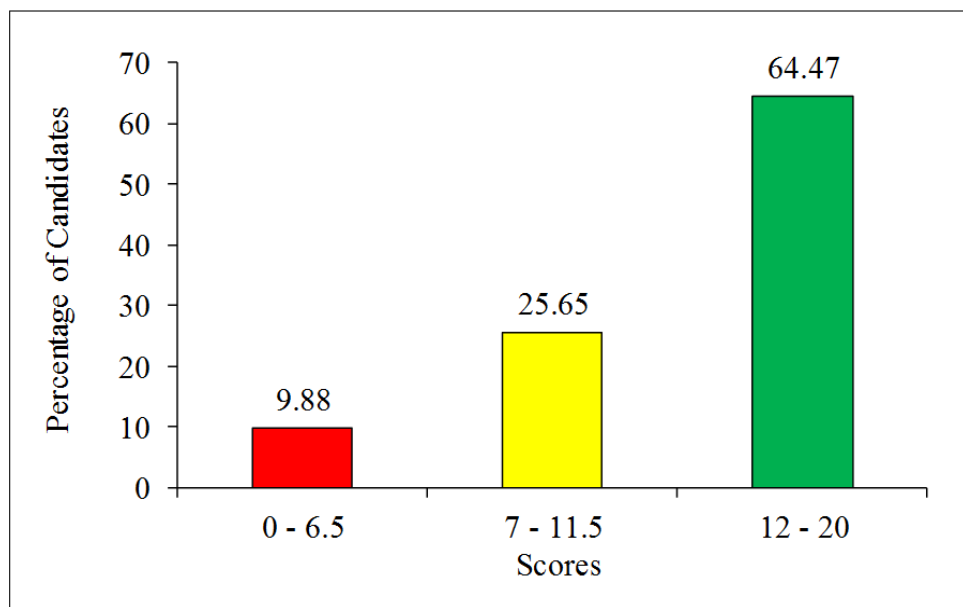


Figure 6: *Candidates' Performance for Question 6*

The analysis shows that a total of 372 (64.47%) candidates scored high marks (12 to 20) in this question. These candidates described correctly most of the documents used for transportation in different modes of transport. This was due to the fact that they had sufficient knowledge of the documents used for transportation. The candidates were aware of the documents used in transporting and delivering goods to consumers or agents. Therefore, they analysed the common documents from the list of documents used. The variation noted in individual candidates' scores was caused by the level of correctness of the descriptions given on each document according to the requirements of the question. Extract 6.1 shows a correct response from a candidate who scored high marks in this question.

06.	<p>Transport documents; these are evidence or statements in writing which used to transport goods and services in various mode of transports. Mode of transports includes land water and air transports. These documents are applied to carryout goods from one specific destination to another. When transporting the goods through different modes of transport such documents below are used commonly.</p> <p>Freight Note; is the document issued by transport company showing the cost or charges of transporting the goods from one point to another. It is mostly given to owner of goods. It can be used in water, railway and road transports. Also such document shows cost of carriage like 50,000/- from Dar es Salaam to Mwanza.</p> <p>Charter party; this is an agreement between the shipping company (transport company) and the seller of goods or transporting goods from one particular point to another. It shows name of the shipping company, time for loading and unloading, number of the vessel and even name of the owner of goods. It is mostly used in water transport.</p> <p>Bill of lading; is the document used mostly in water transport which act as an evidence of carriage between the shipping company and owner of goods. It is usually also act as a title to the goods being transported from one point to another. Therefore such document is commonly used in water transport as mode of transport.</p> <p>Airway bill; In transport services such document is issued and used in air transport. The company of aircraft such as Emirates and Air Tanzania</p>
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06.	prepare such document and gives it to seller or owner of goods. It shows rate or cost of flying by aeroplane from one place to another. It shows the name of aircraft company, name of the seller (passenger) and even lost involves.	
	Dock warrant; is the document that is issued by the transport company especially in mean transport to the one whose goods are stored in Bonded warehouse (dock warehouse) weighing for clearance. such document shows quantity of goods in the warehouse name of the company and the owner him/her self.	
	Shipping note; the same applied such document is used in water transport. It acts as a receipt of transport or moving the goods from one place to another, example from China to Tanzania, South Africa to America and so on. It act as an evidence of shipping the goods.	
	Therefore; It is advised to any transport company from any mode of transport to issue and prepare such documents above if necessary because enable to avoid difficulty and disturbance in transportation process.	

Extract 6.1: A sample of the correct response for question 6

Furthermore, some candidates scored average marks ranging from 7 to 11.5. They wrote some correct documents mixed with incorrect documents. For example, one of the candidates wrote: *airway bill*, *charter part*, *consignment note* which were correct documents but mixed up with *letter of credit*, and *letter of hypothecation* which are the documents used for international trade. They were incorrect because the two letters are the documents that facilitate buying and selling of goods to and from abroad. In addition, some candidates included some documents used for insurance into some of the correct documents. For example, one candidate wrote *insurance policy*, *cover note* and *proposal form*, which are used for insurance, instead of the ones used for transportation. Others mentioned all the correct documents, but could not describe some of the documents accordingly.

Conversely, 57 (9.88%) candidates had weak performance as their scores ranged from 0.5 to 6.5 marks. These candidates failed to meet the demands of the question due to insufficient knowledge of common documents which are used for transporting goods through different modes. Some of these candidates were able to provide few relevant documents with incomplete descriptions. The analysis further revealed that, some candidates confused the documents for transportation with international trade commercial terms (Incoterms). Therefore, instead of describing the common documents used and issued by transport companies to the customers or agents when transporting goods, they described some incoterms used to set the prices of imported goods. For example, a response from one of the candidates contained the points such as; *cost and freight*, *cost insurance and freight* and *free on board* which are incoterms with other irrelevant points like door to door services and dock delivery. In addition, some candidates described at least one correct document but mixed with other document used in different business transactions which include *delivery note*, *credit note*, *invoice* and *pro-forma invoice*. A few candidates explained the factors to be considered before choosing a mode of transportation instead of common documents used in transportation. Extract 6.2 is a sample of the incorrect responses for question 6.

6	Transport refers to the movement of goods and services from one place to another so as to facilitate transactions. Common transport documents issued by transport companies to the customers or agents when transporting the goods through different modes of transport are as follow :-	
	Weight & bulkness : this refers to the document used in transport where by the agent must know the weight of the goods which he/she wants to transfer from one place to another, so as to know how which modes of transport to be used. example if the goods has much weight it must transported through water transport .	

	<u>Speed & agency</u> : also this is the documents used	
	in transport where by agent must know the speed	
	of the mode of transport which he/she wants to	
	transfer the product so as to reach safe without	
	destroyed example if you want to transfer the product	
	easy so you must use an air transport.	
	<u>Nature of the product</u> : this refers to the document	
	used in transport where by agent must know the	
	nature of the product which want to be travel	
	so as to know which means of transport will	
	be suitable for that nature of the product.	
	letter of inquiry :	
	<u>Bill of Lading</u> : this refers to the document	
	of the owner of the ship, so without before transport	
	take place the an agent must have a bill of	
	lading so as to give him/her right of touching	
	the product.	

Extract 6.2 shows a sample of the incorrect response for question 6.

In extract 6.2, the candidate explained the factors to consider before choosing the mode of transport except the last point which was correctly mentioned, but it was incorrectly explained.

2.1.7 Question 7: Production

This question required the candidates to analyze six points on the important factors to consider when assessing labour efficiency. The question was opted by 1,026 (74.3%) candidates.

Data analysis shows that 831 (80.99%) candidates scored from 12 to 20 marks, 140 (13.56%) scored from 7 to 11.5 marks, and 55 (5.36%) scored from 0 to 6.5 marks. The candidates' performance was good since 971 (94.64%) candidates scored 7 marks and above. Figure 7 summaries the performance.

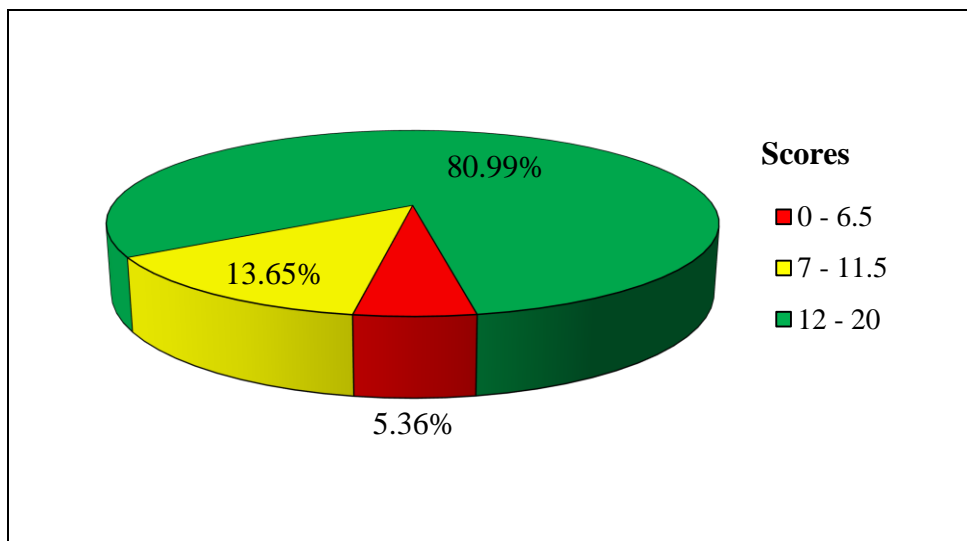


Figure 7: *Candidates' Performance for Question 7*

The analysis shows that the candidates' performance was good as 831 (80.99%) candidates' scores ranged from 12 to 20 marks. These candidates understood what was meant by labour efficiency, and the way in which employers can assess labour efficiency. They understood that, before employing a new labour to the industry, an employer must consider the efficiency of the existing labour by looking at the factors like their *ability to complete the assigned task on time (working hours)*, *age of the workers*, *the level of management to organise the tasks*, and *employees' personal qualities*. The difference noted from the assessment of labour efficiency was attributed to the candidates' ability to provide relevant factors with relevant explanations. Extract 7.1 is a sample of a correct response from the script of one of the candidates.

Q7.	<p>Efficiency of Labour refers to the situation of the labourers to be able to produce goods or services of higher quantity and quality. It is sometimes called productivity of labourers. Efficiency of Labour depends upon several factors. Now the following are factors in which three families must consider when making an assessment on the efficiency of existing labour before making final decisions.</p> <p>Good working conditions, efficiency of labour depends on working conditions if they are clean, safe, they are not characterized by too hot or too cold conditions, it will improve the productivity or efficiency of labourers. They prefer to work in favourable and good conditions, but dirty places, too hot places discourage labour to produce more at high quality and quantity.</p> <p>Efficiency of other factors of production like capital and machines. If there is availability of most efficient machines to support production of a high quality and quantity then productivity of labourers will be high but the poor the other factors of production affects efficiency of labourers hence lower their productivity.</p> <p>Level of education and training, labourers who are educated and well trained for the work they will be more productive and efficient since they will be having enough knowledge on work they do. But if the labourer is unskilled the level of efficiency will be lower and then lower his/her productivity.</p> <p>Experience of the work. If the labourer has an experience to the work he/she performs his/her efficiency will be high hence increase productivity and quality of goods or services produced by him/her, but lack of experience means new labourer has low efficiency and productivity because he/she is new to such task.</p>
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07.	Working hours, if Labourers are working for a very long time and spend too many hours in work he/she become less efficient and productive since he/she becomes tired then produce goods and services of low quality, but few or normal working hours increase efficiency of workers since they perform their work when still have power and critical minds.	
	Working incentives, if the Labourers are given incentives such as free allowances including free transport, free housing, education to his/her children, electricity and other important services then this improve their efficiency in production but absence of those essential services lower efficiency of workers hence leads to low productivity.	
	Conclusively, Efficiency of the Labourers do not depends only on above factors also, weather conditions example places which are too cold discourage people to work, also attitude of workers affects their efficiency when they are optimistic their productivity tends to increase or but pessimistic Labourers have low productivity so these families have to look these factors to their existing Labourers before employing others.	

Extract 7.1: A sample of the correct response for question 7

Extract 7:1, shows for that the candidate understood the requirements of the question, but also knowledgeable of factors to consider in assessing efficiencies of labour.

On the other hand, 140 (13.56%) candidates performed averagely in this question; their scores ranged from 7 to 11.5 marks. These candidates had partial knowledge of the labour efficiency in production. Therefore, they provided some correct factors, but included other incorrect points in their responses. Some of the incorrect points included by these candidates were the reasons for the existence of industry which include: *availability of raw materials, efficiency of labour, good transport facilities, quality of products produced, price and nature of the products*. Some candidates were able to

assess the factors to consider in assessing labour efficiency, though the explanations given were not sufficient to score high mark.

Apart from the question being well performed, 55 (5.36%) candidates scored below 7 marks. Some of these candidates failed to identify the requirements of the question, hence provided irrelevant responses. For example, some candidates explained other factors of production such as, *land*, *capital* and *entrepreneur*, but failed to link their explanations with the factors to assess labour efficiency. The point mentioned was correct it was explained in the context to labour efficiency, and not as a factor for production. On the contrary, some candidates explained the ways through which producers can increase sales of their product. For example, through *advertising*, *promotion*, *market research* and *improving quality of products*. Extract 7.2 is a sample of incorrect responses.

7.	<p>Labour refers to the any physical effort that applied by human being in the production from activities. For example of the labours are skilled labour, semi skilled labour and unskilled labour. while industry, refers to the branch of production which deals with changing goods into a useful form.</p> <p>The following are the important factors that they should consider when making an assessment before making final decisions:</p> <p>Availability of capital, large amount of the capital it help to expand the size of the business firm which leads to increase the level of production of goods and services in the industry, also through large capital it help to employ more labours in industries.</p> <p>Availability of raw materials, when there was a presence of large amount of raw materials it can help the owners of the firm to expand the size of the labours in the production of goods and services which leads to improve the level of production and the level of employment of labours for producing goods and services.</p>	
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	Availability of markets, when there	
	was availability of markets it can help to	
	employ more labour because products	
	which are produced in the market is easily	
	to be sold and also it can lead to clear	
	large amount of profits and the owner	
	the firm tend to expand	

Extract 7.2: A sample of the incorrect response for question 7

In extract 7.2, the candidate demonstrated poor understanding of the question hence, she/he explained the factors to consider before choosing the mode of transport, instead of the factors to assess labour efficiency.

2.2 COMMERCE PAPER 2

2.2.1 Question 1: Business Units

This question required the candidates to assist two people, Chapa and Kazi who are in sole proprietorship to differentiate sole proprietorship from a partnership so that they can decide whether to form a partnership or to continue with sole proprietorship.

The question was attempted by 1,380 (100%) candidates as it was a compulsory question. Among them 1255 (90.94%) scored from 12 to 20 marks, 95 (6.88%) scored from 7 to 11.5 marks and 30 (2.18%) scored from 0 to 6.5 marks. Figure 8 summarises this performance.

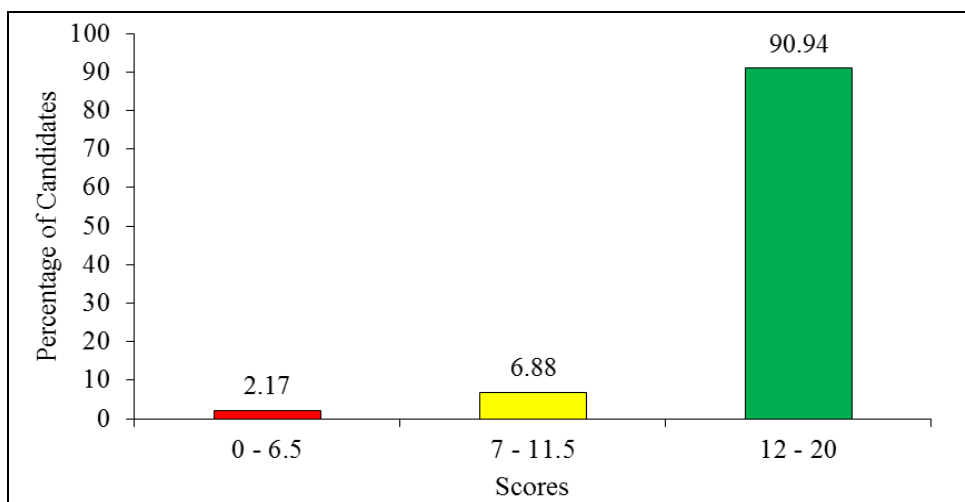


Figure 8: Candidates' Performance for Question 1

Figure 8 indicates that the majority of candidates 1255 (90.94%) performed well in this question. The candidates were familiar with the forms of business units specifically on sole proprietorship and partnership. They managed to differentiate the two forms of business units to assist the two traders; Chapa and Kazi, to join their financial efforts to form a partnership or to remain in their current form of business. They realised that in order to make a clear distinction between sole proprietorship and partnership, the issues of business continuity, freedom to act, risk bearing, sharing of skill and experience, capital contribution and business management should be taken into consideration. The candidates' scores varied with the extent to which they differentiated the business forms with the valid points. Extract 8.1 shows a sample of a correct response for question 1 of paper 2.

1.	<p>Sole traders are the business people operating the sole proprietorship business. Sole proprietorship business refers to the type of business unit where by there is a sole (single) owner of the business firm operating in order to make profit. Partnership refers to the relationship that exists between two or more partners (partnas) who decides to work together in operating a business for the sake of making profits. Sole proprietorship business is quite different from partnership business.</p> <p>The following are the points of distinction between the sole trade business and partnership firm...</p> <p>Capital Contribution. Capital is the amount of money that is used to start a business. Under sole proprietorship since there is a sole (single) seller, capital is contributed by a single person WHILE Under partnership business capital is contributed by all partners (few partners) to accumulate large profits eg. Partner A, B and C contributed Tshs. 2,000,000/= each as capital.</p> <p>Profit Sharing. Profit refers to the money in excess when the money is received from the sale of goods and after deduction of the expenses incurred. Under x sole proprietorship the seller enjoys all the profits and saves suffers losses himself WHILE In partnership business profits and losses are shared equally or as per the partnership deed. Eg partners sharing</p>
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1°	profits and loss for ratio 2:3:1 respectively.	
	Decision making. Decision making is the selection of a certain alternative among several alternatives after making a choice. In partnership firms mostly the decisions are accurate, proper and precise since different ideas are contributed by different partners and finally reach consensus. WHILE Sole trader always have quick decisions since he is the only owner hence no bureaucracy.	
	Number of owner(s) or partner(s). This is the main difference between the sole trade and the partnership business. Under sole trade business there is a single owner i.e. only one seller of the business. WHILE Partnership firm members begin from 2 members and above. For example mostly members are from 2 - 20 partners; and sometimes partner number has no limit (to special type of partnership like partner/lawyers association).	
	Source of labour & power. Labour refers to the mental or physical strength of human being that is concentrated towards the production process. For the use of labour power under sole proprietorship labour force is normally the family members who help the business activity. For example - mother, father, brother, sister and others. WHILE partnership business	

1°	involves various efficient labours who are employed so as to produce goods or service of high quality eg. Receipts exists, Secretary, Managers and others.	
	Liability of the business. Sole traders and Partners also differ on the point of liability. Sole traders have Unlimited liability, where in case of bankruptcy he/she has to sell his/her personal property in paying debts. While in partnership there are both Unlimited partner and limited liability.	
	At in At; Sole trade and Partnership business is never the same as the two sole traders decides to amalgamate and form the partnership business.	

Extract 8.1: A sample of the correct response for question 1

In extract 8:1, the candidate explained the main differences between partnership and sole proprietorship.

Furthermore, the analysis shows that, 6.88 per cent of the candidates scored average marks ranging from 7 to 11.5. They were able to distinguish sole proprietorship and partnership in at least three correct points with relevant explanations. Some candidates included in their responses the difference between partnership and company, especially of the point of capital contribution and a number of members. For example, one candidate wrote that *sole proprietors obtain capital from selling shares to the public while partners contribute capital from their own sources or borrowing*. In partnership the *minimum number of partners is 20 and the maximum is 50 while in sole proprietorship the minimum and maximum number of member is 1*. This candidate failed to understand that the capital for the sole proprietorship is from individual trader by any of the sources of capital, while in partnership the capital is contributed by members according to their agreement. Other candidates highlighted most of the correct points but, failed to explain how they differ from each other.

On the contrary, 30 (2.18%) scored below 7 marks which was weak performance. Most of them were able to give correct introductions and provided a minimum of two correct points. However, the explanations provided about the points were not sufficient. Some candidates differentiated partnership with companies, while others wrote the difference between *private* and *public company* which is contrary to the requirements of the question. Extract 8.2 presents a sample of incorrect response from a candidate who scored low marks.

1	<p>Business unit is the combination of business to form a company for profit creation. Partnership is the combination of 2 to 50 people to form a business for a certain aim or objective. Public and private companies are two forms that have different characteristics as follows.</p> <p>The size of membership: The forms of business unit has been differentiated in the membership size whereby private companies are categorized with two to fifty members in order to form it while public companies are categorized by seven to infinity members in order to be formed and operated.</p> <p>Motive of the business operation: Mostly of the public companies are operated for the purpose of service motto though they can earn a profit while private companies aiming at earning profit for the production they operate.</p> <p>Presence of prospectus: prospectus are the buyers of the shares for the companies. public companies have prospectus due to being quoted themselves to stock exchange market while private companies they do not sell their shares to public and do not have prospectus until to go public concern.</p> <p>The ownership: The forms of business unit are differentiated according to the ownership whereby private companies are owned by individuals or shareholders totally while public companies are owned by the public</p>	
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1	that is preference shareholders or outsiders who have buy shares as well as the government. Mostly is owned fifty-fifty.
	Documents for business operation: Also the forms of business units differs on the documents for business operation whereby public companies do not require many documents for business to operate while private companies required many documents like trade licence for the business operation.
	Decision making: A private companies the decisions are made by the board of directors for the better management of the organizations while in public companies the decisions are made by the majority.
	Therefore, the government should more encourage on the policy of industrialization in order to improve our national level of economy due to importance roles played by the industries or organizations.

Extract 8.2: A sample of the incorrect response to question 1

In extract 8.2, the candidate differentiated private companies from public companies. The candidate also failed to understand the requirements of the question.

2.2.2 Question 2: Marketing

The candidates in this question were required to explain to Makushika villagers the classification of markets basing on the; position of the sellers, volume of business transacted and nature of transaction. The question intended to test the candidates' understanding of the concept of the types of markets in marketing.

The question was optional, it was the least opted and it was attempted by 536 (38.8%) candidates. Data shows that out of 536 candidates, 164 (30.60%) scored from 12 to 20 marks, 107 (19.96%) scored from 7 to 11.5 marks, and 265 (49.44%) scored marks ranging from 0 to 6.5 marks out of the 20 allocated marks. Generally, the candidates' performance for this

question was average since 50.56 percent scored from 7 to 20 marks. Figure 10 summarises the candidates' performance for question 2.

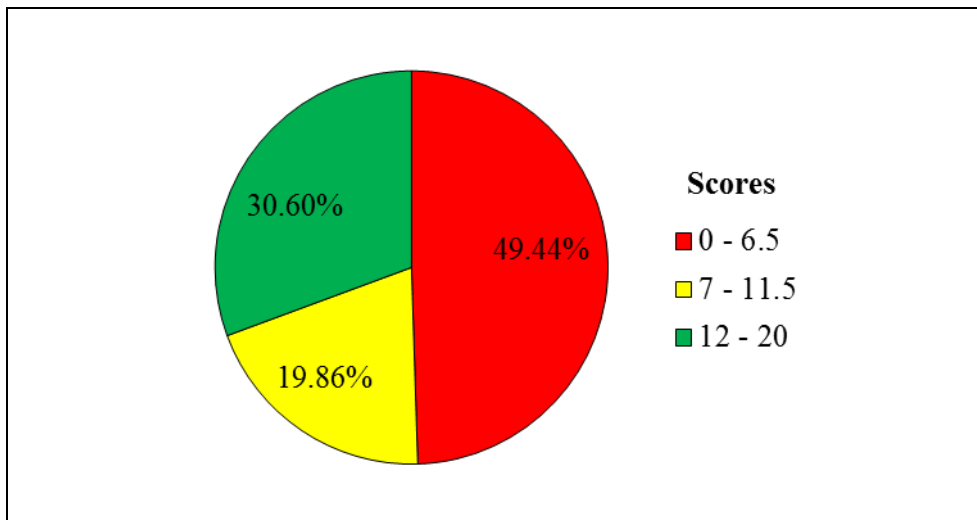


Figure 9: *Candidates' Performance for question 2 Paper 2*

A total of 164 (30.60%) candidates performed well in this question. They understood the ways in which markets are classified, hence were able to comprehend with the requirements of the question. They were aware that market is classified according to the position of the sellers and the nature of the products from those markets which includes *primary market*, *secondary* and *terminal market*. Regarding to the volume of business transacted, the candidates were supposed to classify the markets by *the quantity (ies) of goods supplied* which depends on the financial ability and the trade carried on. Basing on the nature of transactions, the candidates understood that the market is classified according to the *terms of payment*, whether customers have the ability to pay *immediately or after a stated period of time*. The observations from the candidates' scripts revealed that most candidates in this category classified the markets according to the requirements of the question. However, some of them could not give clear explanations to some classes especially *terminal market*. Likewise, some candidates classified the markets with correct points, but did not provide examples to some of the classes. Extract 9.1 is a sample of a relatively correct response from a candidate who scored high marks.

a)	Market refers to the situation where	
	buyers and sellers contact or interact to make	
	transaction. There should be existence of buyers, price,	
	Commodity, contact to make an essential market. There	
	are different types of market basing on their classification.	
	the following are the classification of markets on the	
	basis of the positions of sellers, the volume of business	
	transacted and nature of transactions respectively,	
	Primary market, refers to the market	
	classified on basis of position of sellers whereby the	
	producers are dealing with raw materials or semi-finished	
	goods in the market example, Agriculture market	
	where food crops and cash crops like maize, coffee,	
	Cotton are sold to the consumers in the primary	
	market.	
	Secondary market, refers to the market	
	classified on basis of position of sellers whereby the	
	sellers are selling finished goods in the market	
	example, commodity market where all finished products	
	or commodities are sold in the market to the	
	consumers as in secondary market there are no raw	
	materials or semi-finished products marketed.	
	Terminal market, refers to the	
	market classified on the basis of position of sellers whereby	
	wholesalers selling goods to retailers ^{who} selling goods to the	
	final consumers.	
	example, labour market where labourers who are capable	

a)	Wholesale Market, refers to the market classified on the basis of the volume of business transacted as in wholesale market the wholesalers buys goods from producers and sells to the retailers in the market as they sold in large volume example A wholesaler buying 1000 kg of sugar from the sugar manufacturing industry and selling it to the retailers in 20kg or 10kg. (Wholesale trade)	
	Retail Market, refers to the market classified on the basis of the volume of business transacted as in this market the retailer buys in large quantities from wholesalers and sells them in small quantities to the final consumers example the retailer can sell the 20kg bought from wholesaler in 1/2 kg to the final consumers, as in this market volume of transaction is small (Retail Trade)	
	Spot market, refers to the market classified on the basis of nature of transactions, in spot market when the consumer purchases from seller the payments for the purchases is made on spot example a consumer purchasing clothes in cash as it is a cash transaction where payments are made on spot.	
	Future market, refers to the market classified on the basis of nature of transaction, in future market payment is not made when purchases are made, payments are made in the future, example a consumer purchase clothes today and paying ten days later (credit transaction)	
	Conclusively, Market has a lot of significance like promotes specialization, speculation, facilitates supply of a commodity.	

Extract 9.1: A sample of the correct response for question 2

In extract 9.1, the candidate classified the markets according to the requirements of the question. However, the candidate did not give a correct example on terminal market.

On the other hand, 107 (19.96%) candidates had average performance in which their score ranged from 7 to 11.5 marks. The analysis revealed that, the majority of candidates were able to list the correct classification of markets according to the volume of business transacted, and the nature of transactions with some examples. Others mentioned the markets including the position of the sellers and, volume of business transacted. However, they provided with insufficient explanations and examples to some of the points. In addition, some candidates provided the correct classification according to volume and nature but mixed up their responses with the classification of markets according to competition. For example, one candidate included the incorrect responses such as *monopoly* and *oligopoly* but the cited examples were incorrect.

Nevertheless, 256 (49.44%) candidates had weak performance in this question. They scored low marks (0 to 6.5) due to inadequate knowledge of the specific tested concepts. Some correct responses given by these candidates were wholesale and retail markets under volume of business transacted. Many of them mentioned at least two correct points, but they gave neither relevant explanations nor examples. The candidates who scored zero mixed up the types of markets and failed to meet the demand of the question. Some wrote some classes of markets such as; *sport market*, *primary market*, and *secondary market*, but could not fix them into the right classes. For example, the responses from some candidates included *primary* and *secondary market* under *the nature of the transaction(s)* instead of showing them under *the position of the seller*. Most candidates failed to adhere to the demands of the question, so they classified the markets according to *competition*. Extract 9.2 is a sample of incorrect responses from a candidate who performed poorly in this question.

2.	<p>Duopoly, This is the type of market which characterized with two seller in the market and many buyers, they selling similar or differentiated product in the market. also in this market there is interdependence of firm in the market. Means the firm can not follow the behaviour of another firm in the market.</p> <p>Monopolistic market, This is the type of market which characterized with many seller and buyer in the market, selling homogeneous or identical goods, in this market firm is a price taker, means the price in the market is determined by force of demand and supply.</p> <p>Monopsony, This is the type of market where there is a single buyer and many seller in the market, in this market a firm is a price maker. For example of monopsony is government when employ many workers.</p> <p>In general, there is factor that determine the extent of the market these are, government policy, branding and packaging, location of the market, political factor, availability of transport and communication, Banking and financial services.</p>	
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Extract 9.2: A sample of the incorrect response for question 2

In extract 9.2, the candidate classified markets according to competitions instead of the position of the seller, volume of business transacted and the nature of transactions with examples.

2.2.3 Question 3: Contract of Sales

The candidates in this question were required to justify the right of the seller in the default of the contract if the buyer refused to pay for the goods he/she has delivered.

The question was opted by 938 (68%) candidates out of whom 533 (56.82%) scored from 12 to 20 marks, 298 (31.77%) scored from 7 to 11.5 marks, and 107 (11.41%) scored from 0 to 6.5 marks out of 20. This implies a good performance since 831 (88.59%) candidates scored from 7 to 20 marks. The candidates' performance for question 3 is summarised in Figure 10.

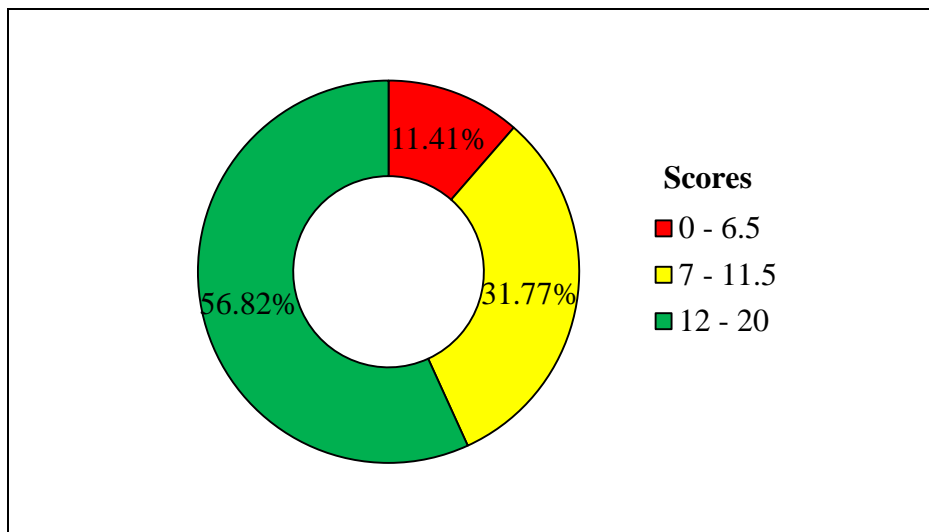


Figure 10: *Candidates' Performance for Question 3*

Figure 10 indicates that, the majority of candidates understood the right of the seller and the buyer in case the buyer possessed the goods, but refused to pay for them.

The analysis shows that 533 (56.82%) candidates scored high marks 12 to 20 marks. These candidates understood the right of the seller under different condition of selling and buying of goods. For example, the conditions like: *the buyer has to pay before delivery*, and *after delivery or on delivery*. They responded according to the question, which was payment to be done after delivery. They were also able to differentiate the right of the seller from that of the buyer. Some candidates justified the right of the

seller by using five points out of the required six, so they failed to score all 20 marks. In addition, other candidates explained rights of the seller under a given condition, but some of the points could not deserve full marks. The clarity and sufficient number of points determined an individual candidate's scores. Extract 10.1 is a sample of responses from a candidate who scored high marks in question 3.

3.	Contract of sale. this is agreement between two parties with legal force for a consideration called price. the essential for a contract of sale are buyers and seller, Agreement to sale and sell price. then Mr. Kipimo who is a buyer in a contract with Ms. Kiwango who is a seller. then Mr. Kipimo refused to pay for goods. then Ms. Kiwango is Unpaid Seller. In a contract of sale Ms. Kiwango the Unpaid seller has right In a contract against the buyer Mr. Kipimo.
	The Following are the Right of Unpaid seller.
	Right to Sue For damage. The Unpaid seller Ms. Kiwango would have the Right to sue for damage caused by the buyer Mr. Kipimo this happen when the buyer Mr. Kipimo Refuse to accept the goods delivered to him from the seller. it is a damage to the Unpaid seller then Mr. Kiwango can Sue Mr. Kipimo for damage. Example goods sent to Mr. Kipimo at right time and quality and quantity and Mr. Kipimo refuse to accept the goods.
	Right to Sue For price. the Unpaid Seller who is Ms. Kiwango If she has not received price from the buyer. then Mr. Kiwango can Sue Mr. Kipimo due to price. She Ms. Kiwango did not receive price after Making delivery to Mr. Kipimo. example. good delivered to the buyer and then did not pay for price then the Unpaid Seller can sue for price the buyer.
	Right to Sue for Interest. the Unpaid Seller has Right to sue for Interest if the buyer did not pay and the Unpaid seller find it okay to sue the buyer. then the buyer

3.	Can be Sued for Interest or the Unpaid seller	
	The contractor Sale explain the Right or the	
	Unpaid seller to sue for Interest.	
	Right to resale. the Unpaid seller	
	has right to resale the goods if he is not paid	
	price by the first buyer he can sell the goods	
	to another person. Example. Mr. Kipimo IF	
	he has not paid Ms. Kivango then Ms. Kivango	
	will have Right to resale the good to another	
	person. Unpaid Seller has all right to resale	
	the goods IF he is not paid. The price.	
	Right to lien the goods. the Unpaid	
	Seller has right to lien the goods, this means	
	take back the good from the buyer this are	
	the Right or unpaid seller, he takes back goods	
	from the buyer. Example. Ms. Kivango delivered	
	the goods to Mr. Kipimo and Mr. Kipimo did not	
	pay or refused to pay then he has right to	
	lien the goods take back the goods from the buyer.	
	Therefore In the contract or sale the	
	Unpaid seller has all right against the buyer	
	who refused to pay for the price. such as	
	To resale the goods, transfer title, Right to	
	Sue for damage Right to sue for interest.	
	and Right to sue for price this Right protect	
	the Unpaid Seller against losses that will	
	be caused by the buyer.	

Extract 10.1: A sample of the correct response for question 3

In extract 10.1, the candidate justified the right of the seller in the default of the contract where the goods have already been delivered to the buyer.

Furthermore, a total of 293 (31.77%) candidates scored average marks, from 7 to 11.5. Their average scores were attributed to the partial knowledge of the rights of the seller and the buyer in the contract of sales of goods. This made them to mix the rights of the seller with the rights of the buyer in their responses. The other reasons for the average score were incorrect explanations to some of the correct rights to sellers and failure to differentiate some rights and reasons for terminating the contract. For

example, one candidate wrote the right of the seller before the goods reached to the buyer such as; *right to stop goods in transit*, and *the right to retain the goods*. This indicates that this candidate failed to realise that if the seller delivered goods, he/she cannot stop the goods while in transit or retained the goods because they are already in the hands of the buyer.

Despite the majority of candidates scoring high marks in this question, 107 (11.41%) scored low marks ranging from 0 to 6.5. The main reasons for low scores were inadequate knowledge and failure to identify the requirements of the question. For example, some candidates scored some marks in the introduction part, and were able to give only two correct points with some discrepancies to the explanations given. Some candidates explained the general reasons for terminating the contract. Extract 10.2 is a sample of incorrect response from the candidates who scored low marks.

3.	Contract: is the agreement or document written before start the business between members in a trade activities.	
	The following are reasons which are known as rights in the defaulted contract.	
	By performance: This is when the role played between buyer and seller when the seller performance and buyer didn't pay back the money so that the seller must perform according to the agreement then made.	
	Agreement: due to agreement between buyer and seller the seller as to defaulted contract because the buyer refuse to pay back the for the goods which received to the seller so that one member may be allowed to defaulted contract.	
	Consequence and impossibility: The seller defaulted the contract due to impossibility of the buyer to discharge the contract so that when the buyer is impossible to pay the seller is allowed to defaulted the contract because is the agreement which they sign themselves according to contract.	
	Breach: in this agreement of the contract when a member of the partner misagreed can may discharge the contract due to the mistake he/she did. Sometimes a member may the business didn't go according to planning made so may cause in dissolution of the contract to windup.	
	Frustration: when the person fluted in business activities which cause the discharged of the contract due to the seller have to frustration the contract due to disagreement between seller and buyer.	

Extract 10.2: A sample of the incorrect response for question 3

In extract 10.2, the candidate explained the reasons for terminating the contract of sale between the buyer and seller.

2.2.4 Question 4: International Trade

This question required the candidates to use six points to validate the statement that “The free trade policy is really harming the economic development in developing countries like Tanzania”.

A total of 1,339 (97%) candidates attempted this question. Their performance was as: 948 (70.80%) candidates scored marks ranging from 12 to 20 marks, 200 (14.94%) scored from 7 to 11.5 marks and 191 (14.26%) scored from 0 to 6.5 marks. The candidates’ performance for this question was good since 85.74 per cent of the candidates scored from 7 to 20 marks, as illustrated in figure 11.

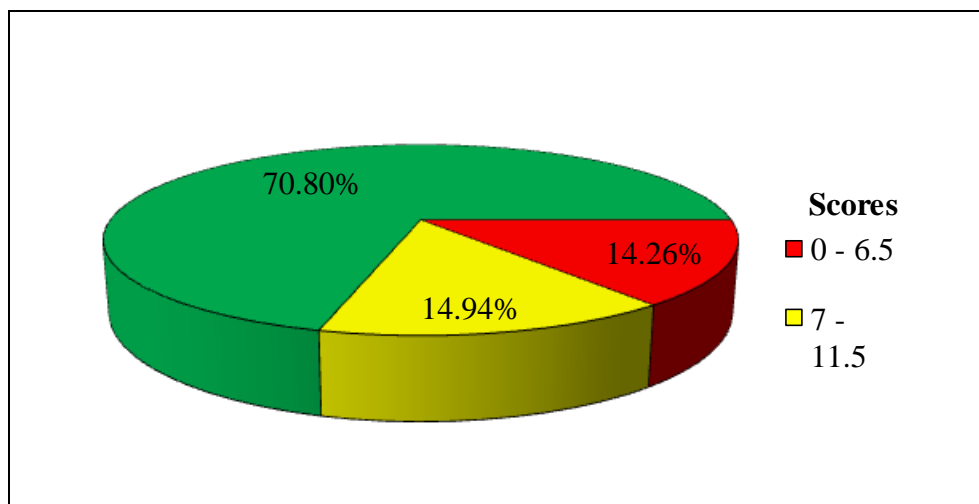


Figure 11: *Candidates' Performance for Question 4*

The candidates with good performance (85.74%) in this question were aware of what would happen if there is no trade restrictions to the economic development to the developing countries. Free trade allows importers and exporters to exchange which-ever they want. This may result into receiving goods which are below standards, or which are not required by the developing countries. They also understood that with free trade, the countries can be affected by monopoly effect as it encourages specialization in particular product(s).

The developing countries can be attracted to sell some resources to developed countries like minerals which are not renewable. So in a long run, they can run out of the resources. The majority of candidates provided at least four to five valid points with relevant introductions and conclusions. The differences observed in the candidates' scores were due to the individual ability to provide relevant points as per the requirements of the question, explanations and clarity of the points. Extract 11.1 is a sample of the good responses from a candidate who scored high marks.

4.	<p>Free trade policy - Is a policy adopted by a country to allow free movement of people to trade from one country to another. Free trade policy has been adopted by Tanzania this economic development and foreign currency earning - example: Free trade between Tanzania and China, Kenya, USA and other countries. Free trade policy practiced liberally in Tanzania but seems to be a harming policy in its adoption. The following validates the above statement and this, should be discouraged because:</p> <p>It leads to imported inflation - A country may buy goods from another country which are already in inflation state. This increase price of goods when being sold in Tanzania example: Importation of cars that are of high prices 'leads to buying of cars at a higher price because the cost of the product is already in inflation state. Hence, foreign policy to be discouraged.</p> <p>Encourages dumping - Buying of second-hand goods examples can be encouraged as foreign trade with other countries can lead to cheap goods to be imported from abroad and dispose them in a costful price. Normally dumped commodities are of low quality which leads to under economic development.</p> <p>Overdependence of a country - The country might depend much on importation rather than encouraging themselves to produce commodities that they cannot produce. Example: Tanzania is now liable to a debt burden from USA due to excessive importation of machines which become very difficult to pay.</p>	
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4	<p>leads to decline of local or small industries in Tanzania. Small and developing industries in Tanzania need effective protection for their growth. But, foreign trade policy has resulted to excessive importation that discourages the purchase of goods from Tanzania. example: A-2 industry in Tanzania has declined due to excessive importation of clothes from China. This discourages growth and development of small local industries in Tanzania.</p> <p>Encourages consumption of harmful goods - example: Harmful substances that damage skin drugs such as cocaine and marijuana and medical drugs that harm function of the body. Through free trade policy countries can import drugs and other harmful materials through smuggling ways. This leads to emergence of health problems to people in Tanzania.</p> <p>Balance of payment problem - Too much importation due to free trade leads to international balance of payment problem as, payment to abroad will be more than receipts from abroad. example, Tanzania is debt burdened due to less exportation to other countries and too much importation from other countries. Thus, undermining economic development in Tanzania.</p> <p>Generally, free trade is not only a harmful policy in Tanzania but, sometimes can lead to better changes due to its encouragement.</p>
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Extract 11.1: A sample of the correct response for question 4

In extract 11.1, the candidates provided correct points as evidence of the negative effects of free trade to the developing countries like Tanzania.

On the other hand, 200 (14.94%) candidates performed averagely in this question as their scores ranged from 7 to 11.5 marks. Most of these candidates provided relatively relevant explanations to at least three out of six points to validate the statement. The points provided by these candidates included: *decline of home industry, importation of harmful goods and exhaustion of natural resources*. Other candidates included the correct point like unfavourable balance of payments. However, most of them failed to distinguish between unfavourable and favourable balance of payment. Some candidates wrote some correct points with the advantages of international trade. For example, one candidate wrote: *international trade create good relationship among the countries, it enable the country like Tanzania to sell out the surplus such as Tanzania sells maize to Kenya also people from Tanzania get technology from developed countries*. These are some benefits of international trade which cannot harm the economic development of the country.

Despite the good performance in this question, 191 (14.26%) candidates scored low marks ranging from 0 to 6.5. Some of these candidates had an idea of free trade policy and its negative impact to the economic development in developing countries, but the majority failed to validate the given statement. There were some candidates who listed a few correct points, but the explanation provided could not meet the demands of the question. For example, one candidate wrote: *protection of home industries but the explanation was: free trade policy enables developed countries to build industries in developing countries to increase production of local products*. The candidate also mentioned *dumping* which was correct with incorrect explanation which was: *all goods from developed countries can freely be sold to developing countries and vice versa*. The analysis of the candidates' responses implies that they misunderstood the demands of the question. For example, some candidates' responses were the advantages of international trade, ways/methods to control import, ways to improve unfavourable balance of payments, and the reasons for international trade. Extract 11.2 is a sample of an incorrect response from candidate who misinterpreted the demands of the question.

4.	Free trade refers to free movement of goods and services from one country to another and there are no barriers to the movement. However free trade has hindered the economic development of developing countries due to capital outflow of the business and individuals. But it can be controlled however.	
	The following are the methods to control imports or free trade.	
	Subsidization: The Government should subsidize the growing domestic sectors that may lead to economic development from the expansion of industrial sectors and thus this will lead to less importation due to quality produce in the country. for example production of capital goods like machines to decrease importation.	
	Devaluation Policy: In this process the value of domestic currency is decreased compared to foreign currency. Hence the importation will seem expensive and exportation will seem cheap thus sell more and buy less from the foreign market for example 1 USD = 8000 Lsh will encourage buying than selling to domestic country.	
	Import licence: The Government should provide import licence to less traders in order to discourage more importation of goods from abroad. Thus less importers will have authority to import thus discourage free trade. for example out of 100 importers only 50 are allowed.	
	Total Ban: The domestic country will stop the importation of the goods and not allow any importation of foreign goods due to	

4.	Economic drawbacks and Economic Dependency on other countries. for example Totally no Importation is allowed Otherwise Strict Punishment will be given.	
	Import Quota: On this the Government will Restrict huge Importation of Goods but allow only a specific amount or Quantity of goods which will atleast help in the reduction of total Dependency to the foreign countries. for example Only 50 Carton are allowed to Import. over 6 Months.	
	Tariff: The Government will impose Custom Duties on the Imported goods that will help the Reduction of higher Importation that the higher the Importation the higher the Duties will be Paid. for example. One Million. per 2 dozen this More Importation More Payment.	
	Conclusively, The free trade should and must be Controlled in order to Reduce Economic, Political and Social Instability in the Economy and in the Country.	

Extract 11.2: A sample of the incorrect response for question 4

In extract 11.2, the candidate explained the ways to control importation, instead of how free trade harms the economic development of developing countries. The candidates also failed to differentiate import from free trade.

2.2.5 Question 5: Business Office

The candidates in this question were required to suggest in six points, the alternative classification of filing systems in Mnazi Enterprises which will solve the problems of delays in responding to customers' inquiries. The question intended to test the candidates' understanding of the types of filing systems which are used in business office.

The question was opted by 808 (58.6%) candidates. Data analysis shows that 475 (58.79%) candidates scored from 12 to 20 marks, 193 (23.89%) scored

from 7 to 11.5 marks, and 140 (17.32%) scored from 0 to 6.5 out of the 20 allocated marks. The overall performance for this question was good since 82.68 per cent of the candidates scored average marks and above (7 to 20 marks). Figure 12 summarises this performance.

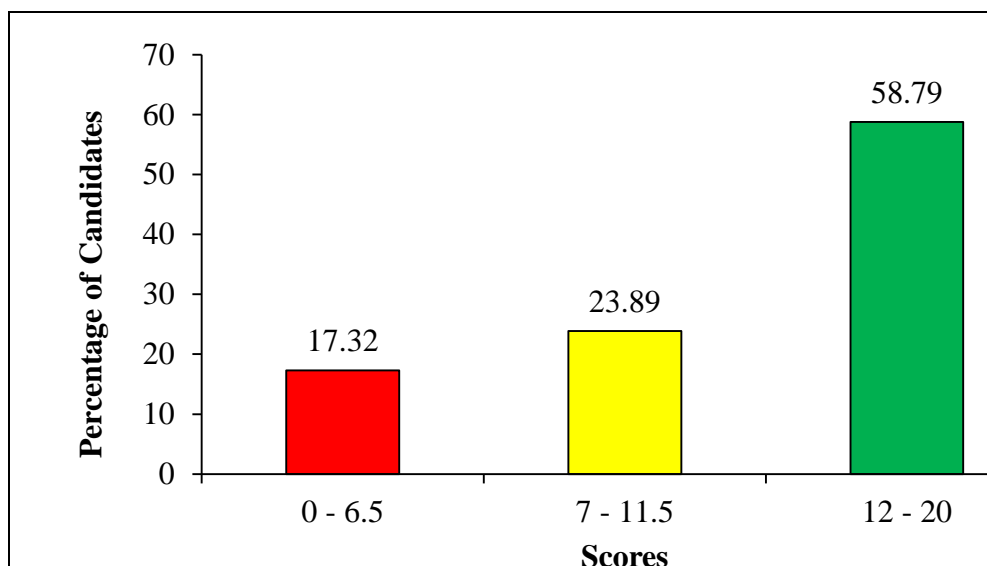


Figure 12: *Candidates' Performance for Question 5.*

Figure 12 illustrates good performance 668 (82.68%) scored average marks and above, that is to say from 7 to 20 marks. The candidates who performed well in this question portrayed their understanding of the different classifications of filing systems. They managed to provide clear explanations on different filing systems that the one dealing with document filing can adopt to address the customers' complaints. However, some candidates did not score all the 20 marks as some discrepancies were noted in their responses. The Majority of them explained correctly four to five points with relevant introductions and conclusions. The analysis shows that most of these candidates skipped the alphanumeric filing system as an alternative. This system combines both numeral and alphabetic which can easily assist the office attendant to work effectively. Extract 12.1 presents a sample of correct responses for question 5.

5.	<p>Classification of Files refers to the system of arranging files so that they can be obtained readily when needed in a certain appropriate procedure, to be used as reference.</p> <p>The following are filing classification systems that Muzi Enterprises can adopt</p> <p><u>Alphabetical classification system:</u> This is a system whereby files are arranged according to their alphabets whether ascending order or descending orders, so as to ease the location of file. For example Files are arranged in AAA in the basis of three letters, so it will be AAA, AAB, AAC and so forth or AAB, AC, or A, B, C and so many more, It just depends which letter it's starting with to go on with the flow</p> <p><u>Numerical Classification System:</u> This is a system whereby files are arranged according to the numbers or digits or figures only so as to provide ease or cross reference of files. For example 123 in the basis of three digits, hence it will be 111, 112, 113 and so forth or 11, 12, 13 hence It just depends which number or digit does it start with to go on with the flow</p> <p><u>Alpha-numerical Classification System</u> In this system, Both alphabets and Numbers are used so as to quickly get the file as it helps to save time, which this is mostly used. For example. AA2, AA2, AA3, and so forth then AB1, AB2, CC1 and so many more till the last letter and it starts again. It's mostly used because it is infinite system.</p>	
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	Geographical Classification System: This	
5.	means that files are arranged according to their geographical location whether region, locality, nation. So it depends where the file is originated from together with with its address. For example location of a file can start from Africa, Tanzania, Dar-es-salaam, Kinondoni, Kinara with its P.O-Box written hence its dealing with the origin of the files.	
	Chronological Order Classification System	
	This system uses the way dates have occurred, at a relevant specific era, age or period of time, date of occurrence, date of finding. For example, In searching of a file Relevant to the first ^{second} world war, then the file is gonna be traced to the 1945's from 1939's. This is mostly used in Archives, Museums by historians and so forth	
	Subject wise Classification System:	
	This means that files are arranged according to the topic Relevant and its contents. For example, Files are arranged according to Science, Geography, Business, Arts and Design, Politics and so forth, hence it just depends what file does it contain and where to look for it, For instance, Basing on Human Body anatomy, then Science subject is concerned	
	Conclusively, classification of files helps to have effective control of files and ease location, helps to save time and energy when tracing for files.	

Extract 12.1: A sample of a correct response to question 5

Some candidates 193 (23.89%) who performed average, scored from 7 to 11.5 marks. These candidates understood the demands of the question, but had insufficient knowledge of the types of filing systems which are used in business office. Some candidates mixed up the correct filing systems with the methods of filing like *horizontal* and *vertical*. Other candidates mentioned some correct filing systems, but because they were not competent

enough, they interchanged the descriptions to some systems. For example, one candidate interchanged the explanations for *alphabetical classification* with *chronological classification* while others confused *chronological* with *numerical classification*. This shows that the candidates had the idea of filing system, but had insufficient knowledge of the concept examined.

On the other hand, 140 (17.32%) candidates scored low marks because they lacked knowledge of filing systems. As a result, they failed to provide relevant answer to the question. Some candidates highlighted a few correct points, but failed to defend them. Apart from lack of knowledge of the concept examined, the majority of candidates misinterpreted the demands of the question. Some candidates explained the types of organisation structure, instead of the filing system. The analysis further revealed that some candidates explained the features of a good filling system which were contrary to the requirement of the question. There were some candidates who wrote the advantages of centralized filling system such as; *save space*, *simple to take care of the room*, *easy to find documents* and *avoid mixing of documents*. Others explained the characteristics of a good filling system such as *accessibility* and *flexibility*. Extract 5.2 is a sample of incorrect responses for question 5 from a candidate who scored low marks.

5	<p>Filing: This is an activities invol</p> <p>ved with keeping file in a permanent place. Muzi enterprise was previously use centralized filing system but current need to use decentralized filing system which have the following advantage:</p> <p>It is easy to identify file easy since they are few; an entrepreneur need to use decentralized which keep the to files concern with a particular department only thus to ones need the information direct may go to respective department concern.</p> <p>It save time; decentralized filing it where each department keep their record thus once a particular record needed it will take a short time to be taken than when a firm may use centralized filing.</p> <p>It has less cost in operation; since there is no need to employ a specialist who will work for the case of centralized to keep files and once each department they will keep their own file thus cost reduced.</p> <p>It reduce congestion of files in one place; as centralized made the files to be congested in one place where its burden differ from decentralized filing where the files are placed to each department can not be congested.</p>	
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5.	There is a privacy ; This is where	
	the information is keeping secret thus other	
	member from another department can	
	not see as differ from decentralized where there	
	is no privacy as every person in organization	
	can know in details about the other	
	department.	
	There is security ; This is the	
	situation where the document is secured	
	thus a member from other department	
	who is not concern can ^{not} take advantage	
	to sneach other department since the files are	
	controlled by the specified department can	
	be effectively secured.	
	Generally ; Although decentralized	
	filing have advantages but there are	
	circumstance where it not better since an	
	organization can not establish the uniform	
	filing system to all department also organiza	
	tion may incur high cost since there is	
	a need to employ specialist.	

Extract 12.2: A sample of the incorrect response for question 5

In extract 12.2, the candidate explained the advantages of centralised filing system instead classification of the filing systems.

2.2.6 Question 6: Export Trade

The candidates in this question were required to show the way Tanzania Trade Development Authority (TANTRADE) assists exporters in the country basing on its roles. The question intended to test the candidates' understanding of the roles of TANTRADE to Tanzanian exporters.

Data analysis shows that 1,212 (87.8%) candidates opted for this question. Among them 925 (76.32%) scored from 12 to 20 marks, 236 (19.47%) scored from 7 to 11.5 marks, and only 51 (4.21%) scored from 0 to 6.5 out of 20 marks. Generally, the performance for this question was good since

1161 (95.79%) candidates scored from 7 to 20 marks. Figure 13 summarises the candidates' performance for this question.

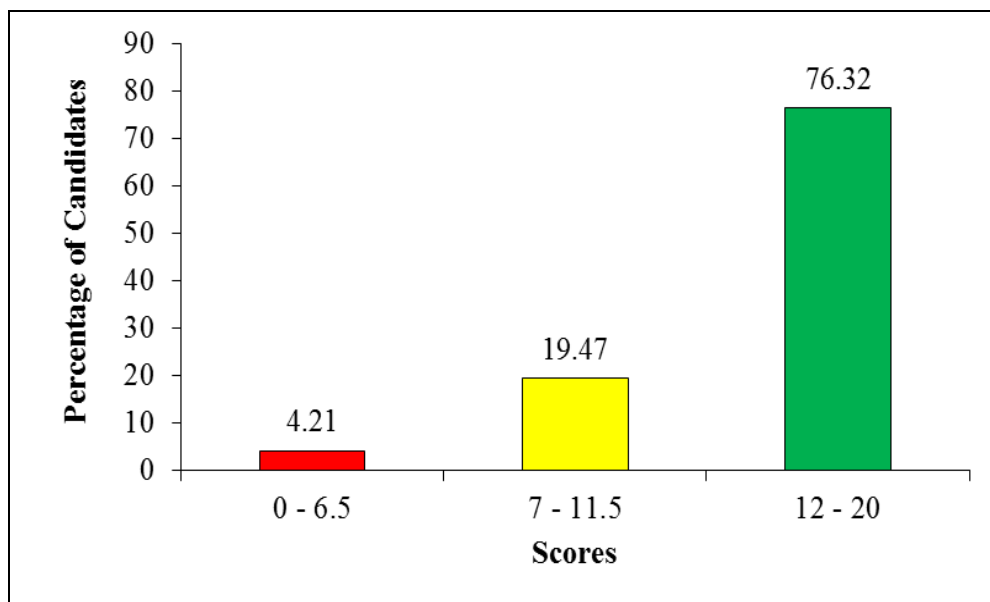


Figure 13: *Candidates' Performance for Question 6, Paper 2*

The majority of the candidates 925 (76.32%) scored high marks ranging from 12 to 20. They were aware of the roles of the Tanzania Trade Development Authority (TANTRADE), and identified the roles that assist exporters in Tanzania. For example, TANTRADE supports exporters by; *branding the Tanzanian goods, providing advisory services on business competition and building capacity of enterprises*. Few candidates managed to describe correctly all the roles which Tanzania Trade Development Authority (TAN TRADE) plays to Tanzanian exporters. Other candidates were able to give the correct roles but included some incorrect roles like; *providing loan to facilitate trade, taking insurance on behalf of the exporters*. However, most of them were able to show the way TANTADE supports exporters. Variations of the candidates' scores were caused by a number of factors including; correct number of point given, clarity of the explanations provided to the points, and the essay writing skills. Extract 13.1 shows a sample of correct responses from a candidate who adhered to the demands of the question.

6.	Tanzania Trade Development Authority (TAN TRADE)
	It is an intermediary involved in export trade in our country as it provides support to exporters. Especially in performing different issues as they connect Tanzania to the world and perform the international trade which has many benefits for us like increase in economic development, foreign exchange and so on. So that the following are the roles played by TAN TRADE on how it assists exporters in the country.
	Marketing Tanzania products in the foreign market, Tanzania Trade Development Authority provide an assist to our exporters by finding markets for our local products in the foreign countries, through advertising, convincing and other methods as to create market for our exports. Like finding markets for our agricultural products and so on.
	Advising manufacturers in our country to increase quality of our products produced in order to get market in overseas, so that assist our exports by provide advises to them on how to improve quality of our products that are exported in the country.
	Arranging trade fairs and exhibitions in the foreign countries in order to introduce our products in those countries, also it assist exporters through finding them chances of introducing our local products in those foreign countries in order to increase exports. So that exporters enjoying available foreign market for their products.
	Provision of advises and training on export matters, also they assisting exporters by advising them and train on all issues concerning

6.	exportation on how to face market and soon	
	for the aim of getting assurance of the market	
	and how they can get high profits,	
	Provision and Publications of information to the	
	exporters on the Possibilities of expansion, also	
	TAN TRADE Publicize information and finding all	
	export Issues for the provision of information to	
	our exporters on general trend of the market	
	for the increase in Possibilities of expansion	
	of the business to our local exporters,	
	Promotion to Local industries to produce more	
	for exports, also TAN TRADE Promote domestic indu	
	stries to produce more products in order to make easy	
	for exporters to export quality and high output	
	in the foreign market so as to maximize selling	
	and generating Profits.	
	Generally TAN TRADE contribute much	
	towards the Economic growth and development	
	by creating Favourable balance of Payments.	

Extract 13.1: A sample of the correct response for question 6

In extract 13.1, the candidate explained the way in which TANTRADE assists exporters in Tanzania.

A total of 296 (19.47%) candidates had average performance as their scores ranged from 7 to 11.5 marks. The analysis shows that these candidates understood the demands of the question but had partial knowledge of the roles played by TANTRADE to exporters. Some of their responses included correct and incorrect answers. Others mixed up at least two to three roles as per the demands of the question with the advantages of international trade, while others mixed up with the methods of controlling import trade. For example, one candidate included incorrect responses such as; *to create good relationship among the countries, exchange of technology and creation of employment* which are the advantages of international trade. Some candidates wrote incorrect points like; *total ban*, and *increase import tax* as part of their responses which are the ways to control importation mixed up with some correct responses.

This led to insufficient number of correct points. The majority of them provided relevant introductions, but could not give relevant conclusions.

On the contrary, a few 51 (4.21%) candidates had weak performance (0 to 6.5 marks) in this question. The candidates in this category had inadequate knowledge about TANTRADE in international trade, particularly its roles to exporters. Some candidates mentioned a few correct points like *providing information to exporters* and *educating exporters*, but failed to provide related explanations to the mentioned points. A few candidates scored marks on introductions and managed to explain a single point correctly. They mentioned some correct points with unrelated explanations. The analysis showed different incorrect interpretations of the question from the candidates. For example, some candidates highlighted the functions of export agents, while others explained the importance of international trade. Likewise, some candidates confused TANTRADE with aids to trade; therefore, they explained some points which relate to how aids to trade support trade to take place, instead of the roles of TANTRADE to exporters. Extract 13.2 shows a sample of an incorrect response from a candidate who scored low marks.

6	Tan trade refers to an important intermediary involved in export trade since it provides support to exporters.	
	The following is how Tan trade assists the exporters in the country:	
	Through good transport and communication systems; this is where by tan trade helps to assist the exporters by insuring that there is a good transport and also communication system for example in Tanzania tan trade helps alot.	
	Also controlling importation of harmful products; this is where by also tan trade helps to control the imports for example helps to control the importation of harmful products which can harm our health.	
	To control inflation; this is where by tan trade also helps to control inflation for example when there is inflation to some of the goods tan trade controls it.	
	Also stabilization of the economy of the country; this is where by tan trade helps to stabilize the economy of the country for example Tanzania the economy is done through stabilization.	
	To create employment; It helps to create employment.	
	Increases government revenue; also the gov't revenues are increased.	
	Generally, above are the roles of tan trade.	

Extract 13.2: A sample of the incorrect responses for question 6

The response in extract 13.2 comprised some advantages of international trade and import restrictions instead of the roles of TANTRADE in assisting exporters in Tanzania.

2.2.7 Question 7: Export Trade

The question required the candidates to explain all necessary particulars that exporters fill into a blank bill of lading. The question intended to test the candidates' understanding of the documents used in export trade, particularly the bill of lading.

The question was attempted by 671 (48.8%) candidates. Data analysis shows that 206 (30.70%) candidates scored from 12 to 20 marks, while 393 (58.57%) scored from 7 to 11.5 marks. In addition, only 72 (10.73%) candidates scored low marks ranging from 0 to 6.5 marks. The performance for this question was good since 599 (89.27%) candidates scored from 7 to 19.5 out of the 20 allocated marks. Figure 14 summarises the candidates' performance for this question.

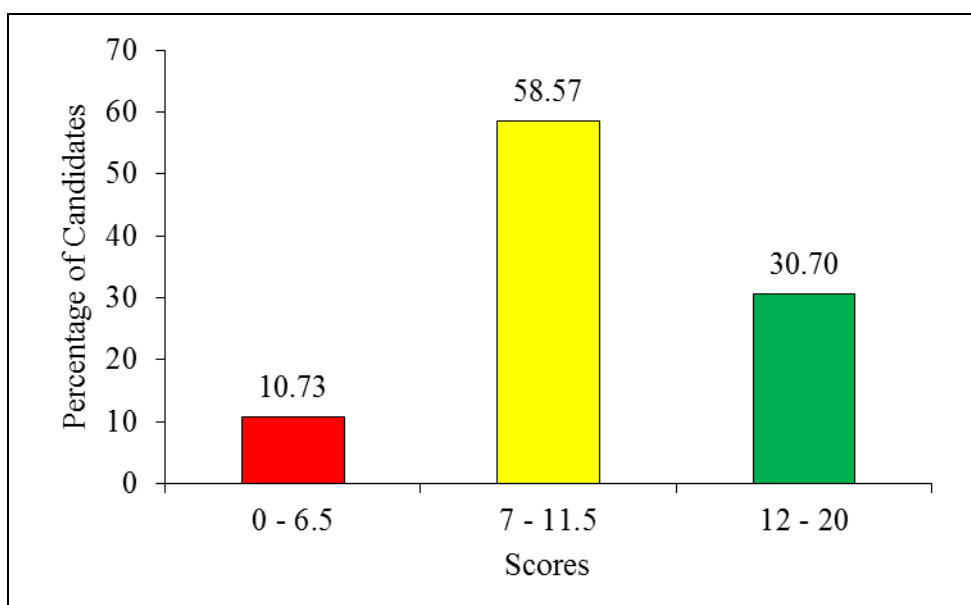


Figure 14: *Candidates' Performance for Question 7*

The analysis shows that 206 (30.7%) candidates scored high marks (12 to 19.5 marks). They were familiar with the documents used in export trade, specifically the bill of lading. The candidates explained the necessary particulars that are to be included in the bill of lading. They understood that the bill of lading is an evidence of contract of carriage of goods between the shipping company and the exporter. Therefore they are necessary particulars in which the two parties need to be informed. The correct particulars include: *mails (number of packages), place of loading of goods, name of the receiver of the goods and the date of departure of the ship*. The majority of

candidates were able to explain at least seven out of nine required points. However, the analysis further shows that some candidates included in their responses other documents used in international trade such as *indent* and *consular invoice* which were incorrect points. The candidates' scores varied in accordance with their ability to exhaust the required points with the relevant introductions and conclusions. Extract 14.1 shows a sample of the candidates' good responses from one of the candidates who scored high marks.

07;	<p>Bill of Lading; Is one among the international document which is mostly used in water transport when transporting goods or cargo from one country to another such as Tanzania to Japan.</p> <p>The following are the necessary particulars that are to be Filled in the bill of Lading:-</p> <p>Name of the shipping company; The bill of Lading as the document must possess the names of the shipping company in which the goods are transported such as NYEHUNGE MARINE VESSEL COMPANY LIMITED as the name of the company of the ship. Hence this enable the customer whose the goods are being delivered to reach easily due to the customer will be aware if any of my goods are inadequate then he or she can easily report or use the shipping company.</p> <p>Weight and volume of goods; The bill of Lading must contain the exactly volume and weight of goods which are being transported. Thus this may enable the customer to know that the goods delivered with a certain weight or volume is the weighted stated by an exporter. such as 100kg of rice, 50kg of minerals, and if there is any problem on the weight of goods delivered is not the weight ordered then the problem will not be to the shipping company but to the exporter.</p> <p>Condition of the goods; The bill of exchange does state the condition of goods</p>	
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07;	when transported that if the goods are in good condition then the bill will be termed as clean bill of lading while if the goods are in bad condition then the goods will be termed as dirty bill of lading. Hence this prevents the shipping company from any problems which can occur after forwarding and clearing the goods.	
	Freight charges: The bill of lading states the amount of freight charges which are paid for the goods transported by exporter. Hence through this the shipping company will be able to know if the freight charge has been paid.	
	Type of the goods: The bill of lading does state on what kind of goods that is being transported such as agricultural products, machines and other items. Thus this enables the shipping to understand every exporter's goods which are being transported in the ship.	
	Name of the exporter: The bill of lading does state the name of the exporter who exports the goods from its country to a foreign country.	
	Name of the customer: The bill of lading does state the name of the customer to which the goods must be delivered.	
	Delivery dock: The bill of lading does state on the area or port where the goods can be delivered. Thus through it makes easily for the exporter to instruct the customer at the place where the goods are delivered.	

07;	Date of goods to be transported. The bill of lading does state on the date at which the goods are being transported from the exporter towards the country which has ordered.	
	Generally, Bill of lading as the international documents used in marine transport.	
	It is useful due to it, acts as the contact between the shipping company and the exporter. Also it acts as evidence if there is any problem which has occurred. It prevents the shipping company from being bearing the risks which are not for the company to bare.	

Extract 14.1: A sample of the relatively correct response for question 7

In extracts 14.1 the candidate explained the particulars that should be included in a bill of lading. However, the points explained as *weight/volume* and *condition of the goods* are categorized as one point called *particulars of the goods*.

The 393 (58.57%) candidates performed averagely in this question as their scores ranged from 7 to 11.5 marks. The analysis shows that the candidates had partial knowledge about the bill of lading. Most of them explained the correct points which included *name of the ship*, *name of the exporter*, *cost of shipping* and *name of the receiver (owner)* of the goods. Some were able to provide other correct responses, but they could explain them properly. Some of them included some documents used in international trade such as: *letter of credit*, *invoice*, *export license*, *freight note*, and *delivery note* which were not correct.

Nevertheless, 72 (10.72%) candidate scored low marks (0 to 6.5 marks) in this question. They lacked knowledge of the documents used in export trade, particularly the bill of lading. Some candidates managed to give one or two correct points of which they failed to explain them accordingly. Other candidates pinpointed several correct particulars to be included in the bill of lading, but failed to relate the explanations with the mentioned points. Moreover, other candidates in this category misinterpreted the requirements of the question. Some of them explained different documents used in local and foreign trade. For example; one candidate explained the documents like: *delivery note*, *bills of exchange*, *documentary credit*, an

invoice, charter party and credit note. In addition to that, others explained the import procedures and some international commercial terms (incoterms). Extracts 14.2 is a sample of incorrect responses from one of the candidates who scored low marks.

7.	<p>Export trade is the selling of goods and services to other countries. Example Tanzania selling butter, fish to USA. There are various sources of information for the exporter such as advertisement, foreign embassy, visiting exporters from abroad and other. In exporting the goods from Tanzania to Kenya there are various documents used such as bill of lading.</p> <p>The following are the necessary particulars that are filled in the make of a bill of lading complete.</p> <p>To obtain an export licence, 'This is whereby for a company to export goods they should obtain an export licence in which it is been provided by the minister of trade. So that licence will facilitate the exportation of the goods from the country to other countries.</p> <p>To receive an Order, 'This is whereby the exporter is then receiving an Order after sending the inquiry to the buyer concerning the goods and the buyer accepts to buy the goods then he/she will send an Order to the exporter. Since the exporter has already the permission to export the goods. The exporter will receive the Order.</p> <p>Payments, 'This is whereby when the exporter has an Order already then the buyer will make the payment of the goods before goods have been delivered to him/her. The Payment can be in form of letter of credit, bill of exchange and promissory note. So the buyer must make the Payments to the exporter.</p> <p>Preparation of the goods, 'This is whereby when the buyer has already paid for the goods then the exporter will start preparing the goods so as to transfer them to the buyer. The exporter can decide to prepare the goods by transferring them through the ship or other means of transport.</p>	
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7	<p>shipment of goods by the exporter; This is whereby the exporter after preparing the goods then the exporter put the goods in the container so as they can be shipped until to the buyer's country. so the exporter signs the document bill of lading with the ship owner for the exportation of the goods.</p> <p>Preparation to receive the goods by the importer; This is whereby to the importer who is preparing to receive the goods he/she will use the clearing agent. This is an agent who deals with importation of goods so the agent will clear all the goods so as to make these goods to have a place to be stored when they arrive in the port.</p> <p>Arrival of the goods; This is whereby after all the journey of shipping the goods then the goods arrive to the port to the buyer country. Then there they will remain so as they can be charged export duty and also when they are stored in the bonded warehouse they will pay the import duty for the goods.</p> <p>Removal of the goods from the port; This is whereby when the buyer want the goods then they will be removed from the port at but after all the payments have already been done is when the importer can remove the goods from the port.</p> <p>Therefore, there are also various documents which are involved in export trade such as bill of lading, Certificate of Origin, Certificate of Inspection, Certificate of Insurance, and weight note.</p>	
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Extract 14.2: A sample of the incorrect response for question 7

In extract 14.2, the candidate explained some export and import procedures instead of the particulars to be filled by the exporter on an empty bill of lading.

3.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH TOPIC

Commerce subject paper 1 and 2 examinations comprised a total of 14 questions composed from 13 topics. The analysis shows that the general performance for this examination was good since 12 out of 13 topics had good performance, while only one topic had average performance. The topics which had good performance were: *Business Units* (97.82%), *Insurance* (97.31%), *Production* (94.64%), *Warehousing* (93.89%), *Export trade* (92.51%), *Transport and Communication* (90.12%), *Contract of sales* (88.59%), *International trade* (85.74%), *Banking* (83.24%), *Advertising* (82.80%), *Business Office* (82.68%) and *The Scope of Commerce* (77.50%). The reasons for the good performance were: the ability of the candidates to identify the tasks of the questions, the candidates' competence in the examined concepts, provision of sufficient explanations in answering the questions, good mastery of essay writing skills, and English language proficiency.

However, the topic of *Marketing* is the only one with average performance (50.56%). The average performance was attributed to the candidates' incorrect explanations to some of the correct mentioned points, and insufficient number of correct points given by the candidates. The analysis of candidates' performance per topic is summarised in Appendix A.

4.0 CONCLUSION AND RECOMMENDATIONS

4.1 Conclusion

The candidates' item analysis responses revealed some strengths and challenges that the candidates encountered in answering the examinations questions. Generally, the candidates' performance in 152 Commerce subject was good as 99.85 per cent of the candidates passed with grade A, B, C, D, E and S. The reasons for the candidates' good performance were adequate knowledge of the examined concepts, ability to adhere to the requirements of the questions, and good essays writing skills. Only 2 (0.15 %) candidates failed as they obtain grade F. The candidates with grade F were not competent in the subject matter, failed to meet the requirements of some of the questions, and insufficient knowledge of the topics examined.

4.2 Recommendations

In order to improve the candidates' performance in Commerce Subject examinations in the future, the following are recommended:

- (a) Teachers should prepare guidelines to assist students in identifying the classification of markets. For easy understanding of classification of market basing on different conditions, teachers should use guidelines to assist students while conducting debates in market classification.
- (b) Teachers to arrange for students' visitation to different local markets around their areas under teachers' guidance so as to be able to identify different local markets.
- (c) Candidates should read the examination questions carefully before attempting them in order to clearly identify their requirements. Teachers to assist students to be critical and analytical when attempting the questions.
- (d) Teachers should adhere to the teaching and learning strategies stipulated in the syllabus to enhance the acquisition of commercial knowledge and skills.
- (e) Teachers should use vivid teaching aids to familiarize students with the facts and to put into practice what they learn theoretically. For example, the use of different documents used in international trade and transport and communication.
- (f) Teachers to lead students in groups to discuss about classification of filings and the benefits/limitations of each system.

A Summary of the Analysis of the Candidates' Performance on each Topic

S/N	Topics	Number of questions	Percentage of candidates who scored the average of 35 or above	Remarks
1	Business Units	1	97.82	Good
2	Insurance	1	97.31	Good
3	Production	1	94.64	Good
4.	Warehousing	1	93.89	Good
5	Export Trade	1	92.51	Good
6	Transport and Communication	1	90.12	Good
7.	Contract of Sales	1	88.59	Good
8.	Foreign Trade	1	85.74	Good
9	Banking	1	83.24	Good
10	Advertising	1	82.80	Good
11	Business Office	1	82.68	Good
12	The Scope of Commerce	1	77.50	Good
13	Marketing	1	50.56	Average

