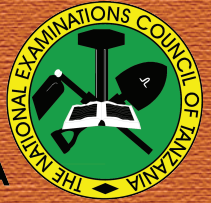




THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY
NATIONAL EXAMINATIONS COUNCIL OF TANZANIA



**CANDIDATES' ITEM RESPONSE ANALYSIS
REPORT ON THE ADVANCED CERTIFICATE OF
SECONDARY EDUCATION EXAMINATION
(ACSEE) 2025**

COMMERCE



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152 COMMERCE

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TABLE OF CONTENTS

FOREWORD	iv
1.0 INTRODUCTION	1
2.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH QUESTION.....	2
2.1 COMMERCE PAPER 1	2
2.1.1 Question 1: Stock Exchange	2
2.1.2 Question 2: Transport and Communication	9
2.1.3 Question 3: Advertising	15
2.1.4 Question 4: Scope of Commerce	21
2.1.5 Question 5: Production	28
2.1.6 Question 6: Warehousing.....	34
2.1.7 Question 7: Banking	40
2.2 COMMERCE PAPER 2	46
2.2.1 Question 1: Taxation.....	46
2.2.2 Question 2: Foreign Trade	52
2.2.3 Question 3: Business Units	59
2.2.4 Question 4: Business Office.....	65
2.2.5 Question 5: Export Trade.....	70
2.2.6 Question 6: Marketing	77
2.2.7 Question 7: Import Trade.....	84
3.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH TOPIC.....	89
4.0 CONCLUSION AND RECOMMENDATIONS	90
4.1 Conclusion	90
4.2 Recommendations.....	90
Appendix	92

FOREWORD

The National Examinations Council of Tanzania (NECTA) is pleased to publish the Candidates' Item Response Analysis (CIRA) report for the Advanced Certificate of Secondary Education Examination (ACSEE) 2025. This report aims to provide feedback to all education stakeholders on candidates' performance in the Commerce subject. The examination was prepared based on the teaching and learning objectives outlined in the 2010 Commerce syllabus and the 2019 Examination Format.

The overall candidates' performance in the Commerce subject was good, as 1,829 (100%) candidates who sat for the examination passed, with no candidate failing the examination. The report analyses some of the reasons behind the candidates' good, average and weak performance in each question. Among the reasons given for the good performance were the ability to understand and adhere to the demands of the questions, a better understanding of the contents of the subject matter, and applying competency-based knowledge in responding to the questions.

However, the report also highlights some challenges faced by candidates when answering the examination questions. These include: limited knowledge of the subject matter; misunderstanding the questions; misconceptions about some concepts; and failure to follow examination instructions. The report also provides suggestions or recommendations on how to overcome these challenges.

It is expected that this report will assist education stakeholders in identifying strategies to enhance the teaching and learning of Commerce in preparation for future examinations administered by the Council.

Finally, the National Examinations Council of Tanzania would like to appreciate the contribution from every individual who participated in the preparation of this report.



Prof. Said Ally Mohamed
EXECUTIVE SECRETARY

1.0 INTRODUCTION

The aim of the Candidates Item Response Analysis Report on the Advanced Certificate of Secondary Examination (ACSEE) 2025 is to evaluate the candidates' competencies as stipulated in the Commerce syllabus for the Advanced Level of Secondary Education.

The Commerce examination consisted of two (2) papers: 152/1 Commerce 1 and 152/2 Commerce 2. Each paper had seven (7) essay-type questions. In both papers, candidates were required to answer five (5) questions. However, question number one (1) was compulsory in both papers. Each question carried twenty (20) marks.

A total of 1,829 candidates sat for the Advanced Certificate of Secondary Examination (ACSEE) 2025, of whom all candidates, 1,829 (100%) passed. The analysis over the last two years showed that no candidate failed the examination, indicating a 100 per cent pass rate among candidates. The results are summarised in the following **Table**.

Results Summary for ACSEE Commerce

Year	Grades	A	B	C	D	E	S	F
2024	Number of Candidates	31	371	732	357	98	6	0
		1.94%	23.26%	45.89%	22.38%	6.14%	0.39%	
2025	Number of Candidates	559	916	280	60	10	2	0
		30.60%	50.13%	15.32%	3.28%	0.55%	0.12%	0

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

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

2.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH QUESTION

2.1 COMMERCE PAPER 1

2.1.1 Question 1: Stock Exchange

The question was as follows: *ABC Ltd Company is listed in stock exchange, but unfortunately, its share price has been fluctuating over the time. Suggest six possible causes of such fluctuation.*

The question was compulsory and was answered by 1,829 (100%) candidates. Among them, 1,391 (76.05%) candidates scored from 12 to 20 marks, 318 (17.39%) scored from 7 to 11.5 marks and 120 (6.56%) scored from 0 to 6.5 marks. The overall performance in this question was good as 1,709 (93.44%) candidates scored from average and above (7 to 20 marks). This performance is summarised in Figure 1.

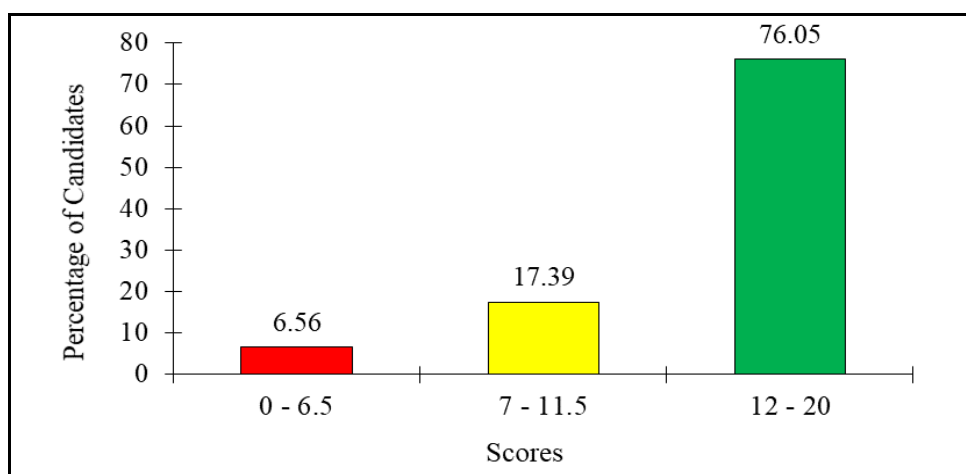


Figure 1: *Candidates' performance on question 1 in Paper 1*

The majority of the candidates, 1,709 (93.44%), who scored from 7 to 20 were able to suggest the possible causes of share price fluctuation of the ABC Ltd Company listed in stock exchange. Candidates who scored marks ranging from 12 to 20 were knowledgeable on the topic of the stock exchange, particularly on shares. These candidates suggested almost all anticipated possible causes of price fluctuation of shares in the stock exchange, like the Dar es Salaam Stock Exchange (DSE); however, a few discrepancies were noted in their explanations on a few points. Others suggested five correct causes with sufficient explanations. They also had

essay writing skills. For example, they explained the speculators' influence on price, the maturity of securities, the performance of the company and mergers. A total of 33 candidates scored all 20 allotted marks in this question. They managed to provide a sufficient number of correct points, and the accuracy of the explanations given for each point was used to determine their scores. These candidates also managed to provide possible causes for the price fluctuation of shares in the stock exchange market. Extract 1.1 is a sample of the correct responses from a candidate.

1.	<p>Stock exchange market is a special market that deals in the buying and selling of securities and shares in the stock exchange market. There are various ways in which one can issue these shares in which it is through public issue, bonus issue, rights issue, private placing and offers for sale, but through have a stock exchange market, there are special features like it being a specialized market, has bonafide members, basis of formation, Management, face value and through these features it makes a stock exchange market a specialized market, through these prices of securities may differ from time to time and there are specific reasons for this.</p> <p>The following are the reasons for price fluctuation for shares in the stock exchange market</p> <p>Performance of the Company; when trying to determine the prices of securities sometimes the prices of these securities may differ from one another due to its performance, it can be seen that for the companies that have high performance it may be noticed by the investor that they contain high profit thus due to that it may make the prices of its securities to be relatively high as well as the companies that are noticed to have low performance the prices may be low and few investors may decide to invest in it. Example/ In Vodacom company, the performance of the company is high thus making the prices of the security to be high.</p> <p>Government Policy; It is seen that when the company has registered to the stock exchange, the government looks upon its activities, sometimes the government policy may be favourable to the company in such a way that it may provide the company with necessary information in concern.</p>
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1	<p>with the outside market but also, sometimes the government policy may be unfavourable to the company through too much interference. Thus it can make its prices to go down and fluctuate, indicating a poor investment. Example: Acacia Industries have low prices due to too much government interference concerning their activities.</p>	
	<p><u>Political Situation</u>; The stability of political status may also affect the condition or situation of the prices of shares of the company since mainly if the political situation is stable it makes it easy for the company to be able to perform its activities with a lot of efficiency. Thus making the prices to go up but if the political situation is poor and cannot be able to perform the company activities with enough accuracy and thus making the prices of these securities to fluctuate. Example; In countries like South Sudan, the public companies share prices are going to be low due to the war in the country.</p>	
	<p><u>Rate of Interest or Dividend</u>; sometimes it can be realized the rate of interest that is mainly provided to the investors in a company can be a factor due to price fluctuation, this is because mainly when the prices are high, thus the investor can be able to achieve a high turn of dividend that can be able to boast themselves thus making their shares to be highly demanded unlike when the rate of interest that is provided is low then it makes the prices of securities to indicate that they are low and making the people to not highly demand for the securities offered by</p>	

1	<p>From 'Example,' The CROB Bank offers a good rate of interest and shares are easily affordable at the price of Rs 500 only thus making the share prices to be consistent and highly demanded.</p>
	<p>Activities of Speculators; speculation can be referred to as the people who mainly withhold the shares and waiting on demand of those shares at a more higher price, sometimes it can be seen that speculators mainly go to a company in which the prices of securities are seen to fetch a higher demand at the future period time thus due to this it can be seen that if the activities of those speculators have conducted a lot of activities in withholding the shares then the prices of those shares would be high in which this activity are mainly indication of price fluctuation. Example of speculators in the stock exchange market are the jobbers and in which include the bulls, bears, that deal in determining demand of these shares.</p>
	<p>Public Confidence; sometimes it can be seen that when trying to determine the prices of the shares it can be seen that the public should be able to fully trust the company in the ability to perform its activities thus due to this it makes for the prices of the shares to fluctuate since if the public has high confidence then the company share prices would be high but if the company does not have the public confidence then the share prices would be low thus due to this making the prices to fluctuate. Example; The Acacia Mining Industries did not have public confidence due to many suspicions from the government making the prices to not be very favourable.</p>

1.	In nutshell, The stock exchange market may be seen with several functions that is provide a ready market for buying and selling of shares, provide a chance for gainful transferring of shares, act as a barometer for the country's economic progress, controls the activities of the quoted companies and provides necessary information but also it can be seen that The stock exchange market has several advantages that is employment opportunities, through jobbers and brokers, but also source of government revenue that aids in economic development.
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Extract 1.1: A sample of correct responses to question 1

In Extract 1.1, the candidate provided correct possible causes of fluctuation of share price in the stock exchange.

Additionally, candidates with average performance scored from 7 to 11.5 marks. These candidates understood the requirements of the question; however, they managed to mention or explain only some causes correctly. Some candidates in this group were able to introduce the question responses well and provided all six correct causes but with only three correct explanations or account of such factors. The analysis further showed that some of these candidates failed to both identify and explain more than three possible causes for share price fluctuations effectively. Others even provided only some correct causes but with partial or insufficient explanations. Some candidates mixed correct with incorrect points in their responses. For example, some incorrect responses accounted by the candidates include: *poor transport and communication, income inequalities, poor government support, low level of technology, and variation in company preferences.*

Despite the good performance in this question, 120 (6.56%) candidates scored from 0 to 6.5 marks. This was resulted from inadequate knowledge of the causes for shares price fluctuations. This performance was attributed to inadequate knowledge on the concepts of stock exchange. Some candidates in this category mentioned a few correct causes of share price fluctuations including government policies, demand and supply, interest rate however, their explanations did not align with the mentioned points. Furthermore, the analysis revealed that some candidates were able to score some marks in this question from only the introduction part of the

response and score a zero-mark on the rest of the responses as their explanations did not much aligned with the requirement of question.

A total, 4 (0.22%) out of 120 candidates with weak performance scored zero. This is because they had misinterpreted the question. Therefore, answered the question contrary to its demands. For example, one candidate provided incorrect responses such as; *increase in population, decreases in population, increase in price of other goods, change in weather, change in fashion, cost of labour*. The candidate mentioned and explained the factors for a change in demand of a commodity mixed with the factors for change in supply of a commodity. The completely failed to differentiate share price fluctuations from change in demand and supply of the commodities. Furthermore, they failed to differentiate stock exchange where capital is raised from commodity market where primary products are sold. Some candidates identified correct points such as political situation, demand of the company's product, sold and supply of shares, government policies but their explanations were based on production of goods. They failed to link the concepts with share price fluctuations. These candidates failed to know that, possible causes of share price fluctuations include: *company's performance, mergers and acquisitions, government policies, demand and supply of the shares, bank rate of interest, and development of new products*. Other possible causes are *speculators activities, public confidence, press influence, general economic situation, maturity date of the security and political situation*. Extract 1.2 is a sample of an incorrect response to question 1.

Q1	<p>Stock exchange is the bond which used to buy and selling security. The following are cause of fluctuation of ABC Ltd company when listed in stock exchange.</p> <p>Collateral security, this is whereby ABC Ltd company act as a collateral security that people can take share toward ABC so as to be there as a collateral security.</p> <p>ex- this is whereby ABC Ltd company after registered in stock exchange cause share price fluctuating because of stock exchange acts as a collateral security.</p> <p>Means of saving, this is whereby of fund in of stock exchange it acts as a means of saving through ABC Ltd listed in stock exchange it can lead to share price fluctuation because many people wants to saving their money in a stock exchange.</p>
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	<p>Raising capital, this is whereby ABC Ltd Company wants raising its capital so as to improve their efficiency and the business at all because of to registered with stock exchange it can lead to raising of capital that can cause the fluctuation of share in over the time</p> <p>Raising government revenue, one of the causes of ABC Ltd company fluctuating its share over the time it was because of the raising of government revenue because in stock exchange there is government assistance that lead to ABC Ltd Company to get assistance from the government therefore the share price of ABC Ltd Company are fluctuating because of raising government revenue</p> <p>Provision of employment opportunities this is whereby ABC Ltd company make a chance to people to employed because of buying and selling shares in stock exchange that lead to fluctuating of price of share example people are employed which are work within the ABC Ltd because of business expansion</p> <p>Improve living living standard, this is whereby people improve their life standard of living because of raising their capital that lead to get able of profit and divided as dividend.</p> <p>There is stock exchange it used in buying and selling of security</p>	
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Extract 1.2: A sample of an incorrect response to question 1

In Extract 1.2, the candidate explained the importance/advantages/benefit of shares instead of possible causes of share price fluctuations in the stock exchange.

2.1.2 Question 2: Transport and Communication

The question was as follows: *In order for any organisation to operate effectively, it requires to have good internal and external communication methods. Argue for this statement by providing three importance for each method.*

The question was opted for by 962 (52.60%) candidates. Among them, 789 (82.02%) candidates scored from 12 to 20 marks, 117 (12.16%) candidates scored from 7 to 11.5 marks, and 56 (5.82%) scored from 0 to 6.5 marks. The general performance in this question was good since 906 (94.18%) candidates scored an average mark and above. Figure 2 summarises the candidates' performance on question 2.

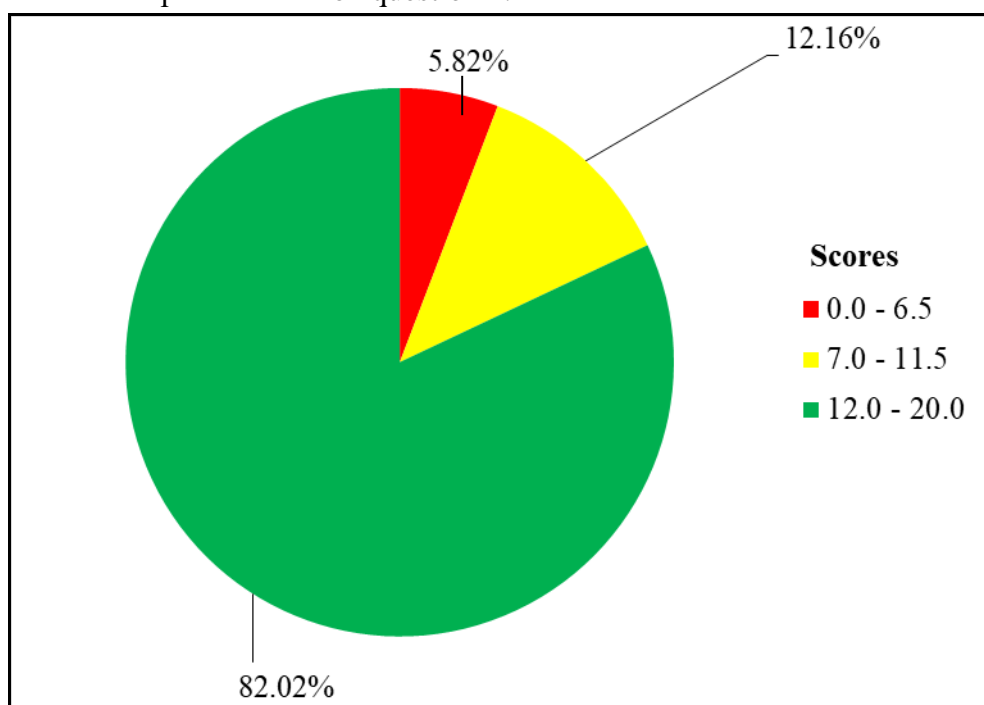


Figure 2: *Candidates' Performance on Question 2 in Paper 1*

The analysis shows that, the 906 (94.18%) candidates who scored from 7 to 20 marks were aware of the importance of organisation to operate effectively good internal and external communication methods for any organisation to operate effectively. Most of the candidates with score ranging from 12 to 20 in this category argue for statement given by providing three importance of internal and external communication methods. Some of them could not provide sufficient explanation to support

argument on one or two points; however, used examples in their explanations. Other candidates justified the statement by providing two out three points required in each communication methods. Many candidates in this group provided three correct points on the importance of internal communication and two of external communication for the organisation effective operation. They were aware of the difference between the importance of internal and external communication methods. Sixteen (16) candidates in this group scored all the 20 marks allocated on the question as they addressed the question in accordance with the demand of the question. The candidates' scores in this category varied due to their ability to provide relevant number of correct points with meaningful explanation to the points. Extract 2.1 is a sample of the correct responses to question 2 from a candidate who scored high marks.

2.	<p>Communication, Proper to the transfer of information from one person to another, communication is divided into two types Internal communication and External communication. Internal means communication within an enterprise while External communication means the communication between the company and the outsiders like creditors or government.</p> <p>The following are the importance of Internal communication.</p> <p>It improve efficiency in production. Internal communication May improving efficiency in the production of goods and services in an organization. This is due to the Making easy supervision and flowing of information from the top Manager to the subordinate (employees) for fulfilling their task effectively.</p> <p>Internal communication it motivate staffs. Internal communication is aimed at motivating the staffs. For example At Joint consultation that is usually held every day morning, the Manager can motivate the employees who are performing their task effectively continuously. As Why, Internal communication leading to the organization to operate effectively.</p>
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	<p>It ensure better coordination between employees within the organization. Internal communication ensuring better coordination among the employees and the Manager within the organization due to the quick flowing of information from the top Manager to the subordinates.</p> <p>The following are the importance of External communication.</p>	
	<p>It create good image of the organization (Goodwill). External communication creating goodwill of the company. Goodwill Means the reputation of the business organization, Good brand name due to the better performance done by the organization for example Arzam Co. Ltd have good image to the society due to better external communication with outsiders like Gov customers and the Government.</p> <p>External Communication it enhance public relation between the organization and the public. External communication influencing public relationship between the organization and the public this leading to the organization to be acceptable by the public hence increasing sales volume and generating high profit.</p>	
	<p>Enable the organization to look as public eyes. External communication leading to the organization to look as public eyes, this situation Making the organization to be known by the public this causing More consumers attractions to buy the product produced by the organization.</p> <p>To sum up, The above explanation - Showing the importance of Internal and external communication to the organization. But there is the problem that facing the internal communication for example Internal conflicts between the employees within an organization.</p>	

Extract 2.1: A sample of the correct responses to question 2

In Extract 2.1 the candidate explained the importance of internal and external communication methods.

The candidates who scored average marks which ranged from 7 to 11.5 marks were 117 (12.16%). The candidates understood the requirements of the question and partially attempted the question. Some of the candidates in this group had identified correctly all three required points in internal and external methods of communication but with insufficient explanations on both parts. Other candidates provided all three importance of internal communication method only but failed to provide the importance on external communication and the vice versa. Furthermore, others provided three correct points on internal but mentioned one correct point on external communication without giving explanations.

In addition, a total of 56 (5.82%) candidates scored from 0 to 6 marks which represent weak performance. The scores indicated that the candidates had insufficient knowledge of the importance of internal and external methods of communication for the performance of the organisation. Some of the candidates in this category argued for the given statement by providing only one correct point on the importance of either internal or external methods of communication on the effective performance of the organisation. The analysis further shows that some candidates listed one point on each method with unrelated explanations. For example, one candidates wrote on motivating staff and improves understanding in internal communication but had interchanged the explanation of the two points.

Further the analysis shows that, 4 (0.42%) candidates who scored zero mark misunderstood the requirements of the question hence provided incorrect responses. Candidates' misinterpretation of the requirement of the question had been observed on their responses. For example, one of the candidates gave some incorrect responses such as: *easy to share, provide reference, consistency, cheap, affordable, and keep secrets between the sender and the receiver* which are some advantages of written communication instead of the importance of internal and external communication on the efficiency performance operation of the organisation. In addition, these candidates failed to apply some essay writing skills in their response thus, excluded the introduction or conclusion or both parts of the responses.

On the other hand, some candidates also scored low marks because of confusing the requirement of the question; hence instead of explaining the importance of internal and external communication they tried to

differentiated the two terms namely internal and external communication and the importance of other means of communication. For example, one candidate explained the importance of oral communication instead of importance of internal and external communication methods. These candidates failed to realise the importance of internal communication include: *improves understanding between employees and employers; improve coordination between departments; prevents losses; motivates staff; and promotes efficiency.* On the other hand, the external communication method: *facilitates market expansion; promote products' quality; enhances business image; improves public relations; and satisfying customer's needs.* Extracts 2.2 is a sample of incorrect responses on question 2 in paper 1

Q2.	<p>Communication, refers to the passage of information from one person to another or from one department to another - department. Communication implies effective organization of a business. Hence Communication have various methods. For example, Oral or Verbal Communication and written Communication. The following are the importance of Verbal or oral Communication.</p> <p>It saves time. This internal Communication method - saves time. Since it does not require many procedural actions, Mostly used in the Company and other business venture. For example, Employers illustrating and directing the employees directly through Verbal Communication. This method involve both parties to meet or see each other which brings a sense of efficient in implementation.</p> <p>It is accurate. Oral Communication is the use of mouth to communicate or pass information from one person to another, It is said to be accurate because a person giving out the information is seen and have no barriers for his/her information to be disturbed. Also the recipients can ask any question in case there is some - misunderstandings. For example, Teachers announcements to students they are accurate and understandable.</p> <p>It is Confidential, Oral Communication it is Confidential because it involves body action and face to face conversation between the two people communicate. Hence it is easy to show the happiness and lightness of the issue discussed. Some emotional feelings and moods can be observed when communicating through Verbal Communication which means it is easy to determine the mood of the messenger while he/she gives out the information. For example Sad news like death, accidents and illness. are likely to be expressed differently. The following are the importance of written Communication in the organization of the firm.</p>
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<p>Convenience. Written Communication refers to the - transfer of technology information from one person to another through or by the use of documents. For example. Letters, Magazines and Journals. It is Convenience since it is understandable and it is easily possible to change language in order to get the information that is intended. Different from oral Communication where by a messenger can not pass information at two languages at a time.</p> <p>Useful for reference or evidence. Written Communica- tion is useful to managers, officers and other business personnel for keeping as evidence for future. For example. Invoice, Credit note and debit note. All these are written documents & used for Communication between buyer and seller. In case of any misunderstandings these documents can settle the disputes between two parties.</p> <p>Simplicity in Communication - Written Communication Simplifies the Communication process. Mostly written Communication is used for external purpose, since it is difficult to Communicate face to face because of distance and other barriers For example. Mails and Consignment. Hence many Commercial activities are successful due to written Communication For example. Importation of goods involve written documents like. Weight note, charter party and other more.</p> <p>In a nutshell, Communication is the key for efficiency in the production or business ventures. Since proper allocation of business resources is delayed in how to determine the opportunities in the environment which is easily possible through effective Communication. People should learn how to use appropriately the forms of Communication to save costs of Communication process, and bureaucracy delays delays.</p>
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Extract 2.2: A sample of an incorrect response on question 2

In extract 2.2, the candidate explained some of the advantages of oral and written communication instead of importance of internal and external method of communication.

2.1.3 Question 3: Advertising

The question was as follows: *Modern advertising agencies render various services to their clients. In three categories, analyse the services they rendered by providing two services in each category.*

The question was opted by 51 (2.79%) candidates. The candidates' performance in this question was as follows: 11 (21.57%) candidates scored from 12 to 20 marks, 9 (17.65%) scored from 7 to 11.5 marks and 31 (60.78%) scored from 0 to 6.5 marks. The general performance in this question was average since 20 (39.22%) candidates scored an average mark and above. Figure 3 summarises the candidates' performance on question 3

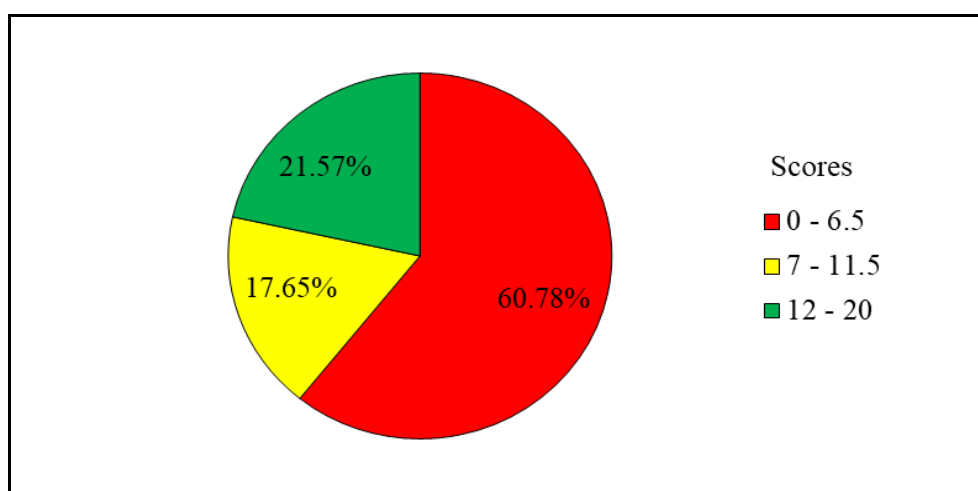


Figure 3: *Candidates' Performance on Question 3 in Paper 1*

A total of 31 (60.78%) candidates scored low marks ranging from 0 to 6.5 marks. The responses from most of these candidates showed that they failed to understand the demand of the question. These candidates demonstrated limited knowledge in their responses because they had partially understood and attempted the question. For example, some candidates identified the services rendered by modern advertising agencies such as planning, creative and marketing services but could not provide clear explanation on any of the services rendered. Some candidates in this group managed to analyse only one category and service rendered with others managing to correctly account only two categories of services offered while offering some incorrect answer in each category. Many candidates in this group have mixed correct responses with some incorrect

responses. The candidates were supposed to know that services offered by modern advertising agencies are *planning services, creative services and marketing services*. In *planning services*, the activities that are done are *planning on the objectives and set strategies for attaining the goal and preparation of the advertising budget*. *Writing copy, art design and production of finished advertisement* are some activities that are done under *creative services* while in *marketing services* modern advertising agencies performs *media planning and buying, research and sales promotions*. Extract 3.1 is a sample of the incorrect responses from one the candidates.

03	<p>Advertising is the process of making advertisement to the product, Advertising is one among the aids to trade that help business to running smoothly. we can advertise the product through advertisement agencies in modern way, through using social networks people can get advertisement easily world wide.</p>
	<p>The following above are the services rendered to the clients and its function.</p>
	<p>The advertising agencies offered the services to the clients, advertise the product is one among the services offered by advertising agencies to ensure that the consumer know the available product in the market. so to know available product in the market is one among services offered by agencies in advertise product.</p>
	<p>The advertising agencies offered the services to the clients, advertise the product also help to ensure to the seller where place product available (location) or address of the product. so to ensure the seller in market and place products is available is one among the services offered by agencies in advertise product. Example agencies advertise product in term of location, The book of Kamaryu found in the kalfit book shop Kamckoo.</p>
	<p>The advertising agencies offered the services to the clients, direct contact between seller and buyer of a products to ensure that</p>

03	<p>bridge the gap between seller and buyer, the modern advertising agencies ensure that brings the good relationship between the buyer and seller in the market during the trade. so brings good relationship between seller and buyer is one among services offered by modern agencies advertising in direct contact between seller and buyer.</p> <p>The advertising agencies also help to offered services to the clients to direct contact because it helps to reduce number of broker, though direct contact between seller and buyer is reduce the number of brokers or agent in market that ensure to contact seller and buyer and get commission on this price of commodity can't be at high because no commission. so this is one among services offered by modern agencies advertising in direct contact between seller and buyer.</p> <p>Generally, 'Apart from the services offered by agencies in the modern advertising we have factors to consider before choose advertising methods'. cost is one among factors to consider before choose advertising method.</p>
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Extract 3.1: A sample of the incorrect responses to question 3

In Extract 3.1 the candidate explained the advantages of advertising products instead of explaining the services offered by modern advertising agencies.

The candidates who scored average marks from 7 to 11.5 marks were 9 (17.65%). Most of the candidates in this category analysed the categories of services rendered by modern advertising agencies but could not provide the services offered in each category. Among them some candidates explained one of the categories with all of its services correctly and explained the

remaining points with general advantages of advertising to the producers. For example, one of the candidates explained the *marketing services* which deals with *media planning and buying services, research and sales promotions consultation programmes*. However, the candidate wrote *increase sales volume, increase profit, increase in number of potential buyers* which are the general advantage instead of advertising agencies. Others correctly identified the categories of services but mixed the services that are rendered by each category with others for example, *art design and production of finished advertising* are explained under *marketing services* instead of *creatives services*.

A total 11 (21.57%) candidates had good performance with high marks which ranged from 12 to 20 marks. These candidates were aware of the three categories of services rendered by advertising agencies which includes: *planning, creative and marketing services*. A few candidates provided categories of services and the services rendered on each category. Some candidates were able to provide correct categories of services offered by advertising media however, with some incomplete or incorrect explanations on the type of services actually offered under each category. It is important to note that the awarding of marks depended on how well the candidate has correct mentioned the three categories and provided explanations on each service accounted or offered in each category. Extract 3.2 presents a sample of correct response on question 3 in paper 1.

Modern advertising agencies is the specialized and an organization which used to prepare advertising program. This organization enable the provider to make advertising according to the message that a person want to send to people to they provide idea on how an advertisement should look to as to attract listener.

The followings are the services provide to by the advertising agency in planning services.

03

Planning, an advertising agencies help in the planning process like enable a provider on how to make a budget for the advertising that want to produce to with the presence of modern advertising agencies, make a plan on the budget, and how to measure the budget will no exceed to calculate on the cost and the money to be used and how to spend the money.

The followings are the creative services provided.

Art design, Also an advertising agency help in design because it have it department of art people who can create and make different of the advertisement to be good. Example here calligrapher and makers who is who will measure that when the advertisement wanted to be produced it have creativity inside it also the people who will do action inside the advertising have good and been in an artist way to as will attract customer.

Copy writing, Also an advertising agency write copy, copy and distributed to different media to as can be advertised to this copy will carry the message about what will going to be advertised inside it to the modern advertising agencies also prepare the copies for be advertising and also may should make in a such way that people can not copy and will be distributed to different organ media.

The followings are the market-services provided.

Market Research: Also modern advertising media help to do market research on behalf of their people. Example help them to search for a good media which when used could be suitable for the product and it will reach many people may be radio or television so they do market research either to check the demand of the product to be advertising and advise the producer on the media to be used in advertising so as to increase the sale and catch more customer attention.

Buying media: Also they help the producers to buy or search for a media that could be used for advertisement because they have knowledge and most of them have the relation with many media so this will enable a producer to get a media at a low cost and also a media may be a radio or television that could be suitable for the product that need to be advertised to may reduce work to the producer.

Sales promotion: Also modern advertising agencies help in the sales promotion mean increase the demand of the product may be reduce the price of the product and may be make a advertising which is more attractive to the people and they help in sales promotion through advise the producer on the best ways they can use so as to create the demand of the product in the market.

Modern advertising agencies are very important because they help in creating advertising, producing advertising, placing advertising, market research, advise the people who want to make advertisement on how to do so as the advertisement can be attractive and they provide a connection between advertiser and the owner of the media in which it enable to reduce the cost of advertising also for a good advertising people should use the agencies because they are creative and int have knowledge on what they do.

Extract 3.2: A sample of correct response to question 3

In Extract 3.2, the candidate analysed the services offered in different categories by modern advertising agencies.

2.1.4 Question 4: Scope of Commerce

The question was as follows: *Auxiliary services are designed to overcome obstacles in trade. Justify the validity of this statement by using six points.* The question was intended to test the candidates' understanding on the how auxiliary services overcome the obstacles in trade

This question was opted by 1,662 (90.87%) candidates of whom 1,607 (96.69%) candidates scored from 12 to 20 marks, 41 (2.47%) scored from 7 to 11.5 marks and 14 (0.84 %) scored from 0 to 6.5 marks. The general performance in this question was good because 1,648 (99.16%) candidates scored from 7 marks and above as summarised in Figure 4.

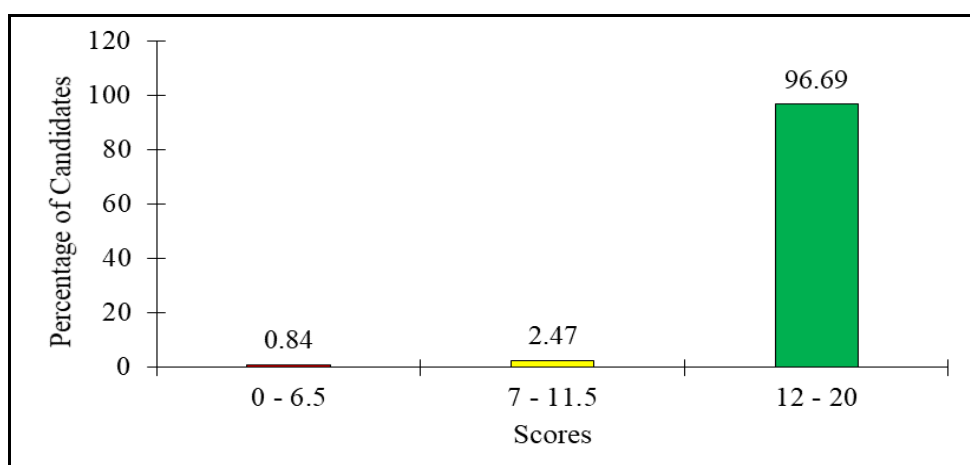


Figure 4: *Candidates' Performance on Question 4 in Paper 1*

These 1,648 (99.16%) candidates whose scores ranged from 7 to 20 marks demonstrated their understanding on the how auxiliaries service overcome some obstacles in trade.

The candidates 1,607 with high scores that ranged from 12 - 20 marks provided clear justification on how auxiliary services overcome the challenge/obstacles in trade. They well understood how various auxiliary services work and linked their presence and function in solving the challenge/obstacles that may occur in trade in their absence. Majority of the candidates justified the validity of the given statement and correctly linked to overcoming trade barriers related to place, time, persons, finance, and risks in the exchange of goods and services. Moreover, these candidates demonstrated some good essay writing skills as well as adequate English language proficiency while addressing the question. However, some

candidates who did not attain full marks, despite identifying the correct auxiliary services, were unable to provide accurate explanations of their functions in trade. Others were able to correctly explain the functions of four auxiliary services but failed to account for the remaining two, which affected their overall scores.

	<p>Auxiliary services refers to the services carried out or performed in order to facilitate trade or in order to ensure smooth conduct of trade activities. It is true that Auxiliary services are designed to overcome obstacles in trade, this is due to the following;</p>
4	<p>Advertising to overcome obstacle of awareness. Awareness means the ability to know something. Advertising is an auxiliary services which refer to the process of making goods and services known to the public. This auxiliary service (advertising) is designed in order to overcome an obstacle or hindrance of lack of awareness since through advertising, an advertiser provides information to the consumers and such consumers get knowledge and become aware on the availability of certain product or service in the market hence proves that it is designed to overcome an obstacle in trade.</p>
	<p>Banking to overcome obstacle of finance. Banking is an auxiliary service which deals with the accepting of deposits, advancing loans and also safeguard of valuable properties. Through banking service, ^{example CRDB, NMB bank,} business men or traders can easily get money (loan) from banks by pledging a collateral security in order to be offered the loan amount, thus this auxiliary services helps to overcome the obstacle of finance since traders can get loans from the banks and carry out the trading activities which contributes to the economic growth and development hence proves that such an auxiliary service removes obstacle in the trade activities.</p>

Insurance to overcome obstacle of risk.

Insurance is an auxiliary service which refers to the process of pooling risks together by contributing an amount of fund to a common pool which is later used to compensate those who suffer actual loss. Risk is an event occurrence which causes loss. Through presence of insurance companies for example Lalma to insurance company, business traders can insure their business properties against risk of fire or accident hence by so doing it helps to overcome the obstacle in trade since the traders are assured of protection and in case of risk, they are assured of compensation, thus keeps business traders in a better financial position in the business hence an important auxiliary service in the overcoming of trade obstacle.

Transport service to overcome obstacle of place.

Transport refers to the physical movement of people, goods and services from one place to another place. Transport is an auxiliary service which helps in the transportation of traders, consumers, final goods from production area to consumption area, hence due to such service traders are assured of smooth movement of the goods to reach the consumers as required hence by so doing it helps to overcome an obstacle of place because unavailability or poor transport hinders the movement of properties and individuals to the distant places, thus such an auxiliary service should be financed since it is used until in the current days to transport individuals goods or properties from production area to consumption area thus proving an auxiliary service designed to overcome place obstacle in trade.

Warehousing service to overcome obstacle of time
Warehousing refers to the process of storing goods in a warehouse until demanded by the final consumers. Warehousing service helps to ensure that goods are stored by the warehouse at a specific period of time when not demanded and they are removed or released when demand. This auxiliary service helps to overcome an obstacle of time in trade hence an important auxiliary service which ensures the smooth distribution of goods and services and the smooth conduct of trade.

Communication service to bridge the gap between the producers and consumers. Communication is an auxiliary service in trade which refers to the transfer of knowledge and ideas from one person to another person which can either be in oral form or in written form. Communication helps in bridging gap between producers and consumers where as consumers can easily transfer information or knowledge concerning various products in the market or in the producer-business in order for the transfer of goods to take place. Thus an important auxiliary service in trade which overcomes hindrances in trade which is conducted in the business. Thus communication service is still developed or advanced and used until today among traders and consumers in order to ensure that consumers are or can get what type of products needed by them from producers either by cash or credit. For example if it is by credit, written communication takes place where consumers make an inquiry in written form from the sellers.

	Conclusively, Auxiliary services are important	
	or very necessary activities required to be carried	
	out since they facilitate quick and a smooth	
	flow of goods and services, provide awareness	
	on availability of goods to the consumers,	
	protect consumers and producers from various	
	risks and so on, hence for trade to be-	
	conducted and successful a trader should consider	
	on the following of auxiliary services. Thus it is im-	
	portant for such services to be financed in order	
	to ensure successfulness of trade activities.	

Extract 4.1: A sample of correct the responses to question 4

Extract 4.1 shows a sample of correct response from a candidate who justified the validity of the statement that auxiliary services overcome the obstacles in trade.

Further, the analysis shows that 41 (2.47%) candidates with average performance had knowledge of the auxiliary services but some of them failed to link the function of some auxiliary services they mentioned with the problem (s) they solved in trade. Almost all candidates in this group had correctly identified all auxiliaries service that exist in trade however, they failed to link the auxiliary services identified with the trade obstacles they can solve.

On the contrary, the analysis shows that 14 (0.84%) candidates scored low marks ranging from 0 to 6.5. Majority of the candidates in this group misinterpreted the requirements of the question hence provided incorrect responses. For example, some explained the importance of auxiliary services in general while others explained the auxiliary with examples but failed to link with the demand of question. One of the candidates wrote that auxiliary services *provide employment opportunities, gathering marketing information, provide financial services, storage of goods or raw materials and informing customers about new product in the market.* These are some importance of auxiliary services in general. The candidates obtained some marks on introduction part and mentioning of some correct auxiliary services in trade. Likewise, there were some candidates who explained the importance of trade such as *it improves infrastructure, promote employment opportunities, facilitate consumer choice, trade promote*

technology, promote capital. Extract 4.2 represents a sample of incorrect responses to question 4.

4.	<p>Auxiliary services; refers to the services which they are provided by the trader to those customers so as to reduce trade restrictions to the business country or business world. The government and the ones who they have provided this services to those trader however to reduce obstacle of trade like language barrier, the monetary and other obstacle of trade. Those are some of the functions of the auxiliary services but the following are the importance of the Auxiliary services to the trader.</p> <p>Expansion of Market; the market they can be expanded more and more due to the services which are given by trader to those customers either by using the internet services so as to help to understand each other and through this will help for the customer to increase day by day and in this way the market also expand due to the increases of the customer.</p> <p>Increase Sales turnover; through the presence of the auxiliary services provided by the trader this will help for the business or a trader to have many customer and even the production will increase at which through the increase on production this lead for the investment also to increase day by day, and in this way the trade activities will also more and more developed.</p>
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4.	Facilitate employment opportunities; the auxiliary services	
	it was helped the trade to not be able to cover the obstacles	
	but through its processes it have help to increase and even	
	to facilitate of the employment to the people due to the ban of some	
	and agents who helps the goods to be able to pass through the	
	country until it works to the specific person on trade channel.	
	Source of foreign currency; through the presence	
	of the trade of Auxiliary services it has helped for the provision	
	currency to increase due to the imports of goods and exports of	
	the goods which they are involved in the trade area. so in this	
	way we have seen that has help to overcome the trade obstacles	
	generally, of the presence of auxiliary services it	
	has helped the development on trade to take place because the	
	services they are being given in a right way and through this help	
	for the goods to be in a proper way to be at the market area.	

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	has helped the development on trade to take place because the	
	services they are being given in a right way and through this help	
	for the goods to be in a proper way to be at the market area.	

Extract 4.2: A sample of the incorrect responses to question 4

Extract 4.2 shows an incorrect response from the candidate who explained the contribution of trade in country economy development instead of explaining how auxiliary services overcome obstacles in trade.

2.1.5 Question 5: Production

The question was as follows: *Production efficiency of employees at Maneno Business Enterprises has been declining progressively over the years. Suggest six possible causes of such situation.*

The question was answered by 1,649 (90.16%) candidates, among them 1,533 (92.97%) candidates scored from 12 to 20 marks, 102 (6.19%) scored from 7 to 11.5 marks and 14 (0.84%) scored from 0 to 6.5. Generally, the performance in this question was good because a total of 1,635 (99.16%) candidates scored from 7 to 20 marks. This performance is summarised in Figure 5.

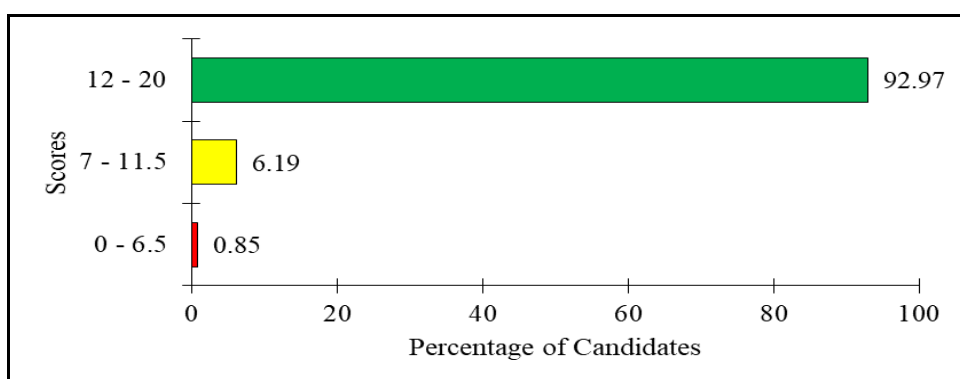


Figure 5: *Candidates' Performance on Question 5 in Paper 1*

The performance of the candidates as summarised in figure 5, shows that majority 1,635 (99.16%) candidates who scored from 7 to 20 marks understood the possible causes of declining of production efficiency of employees at Maneno business enterprises.

The 1,533 (92.97%) candidates performed well on the question because they were familiar with the factors for labour efficiency in production; therefore, they suggested the factors for declining of employees' production at Maneno business enterprises. However, some of the candidates' responses had few discrepancies in their explanations. Some candidates identified five out of six required factors for labour inefficiency with

correct explanations mixed with one factor for labour efficiency. These candidates' scores differ based on the sufficient number of points and clarity of explanations given the points as per demand of the question. The correct responses given by these candidates include: *peace of mind, experience, health of the workers, extent of division of labour, personal qualities and management style*. Extract 5.1 is a sample of the correct responses to question 5.

5.	<p>Production efficiency refers to the ability of workers or employees to produce goods and provide services at greater quantity and quality within a given period of time. Efficiency of labour is influenced by various factors such as working condition, level of payment, level of organisation and working hours. If the factors are available it leads to greater efficiency and if not then less efficiency in production. The following are the causes of decline in production efficiency of employees at Maneno Business Enterprises:</p> <p>Poor working condition: Within the enterprise there may be poor working environment that is conducive for the employees. This situation does not provide comfort to the labour, creates monotony and discourages hardworking resulting into decline of efficiency in production process. Example lack of enough ventilation and lighting, poor sanitation and poor office layout.</p> <p>Long working hours: The manager may have increased or extended the working hours for employees making them more fatigued due to lack of enough time to relax. The employer may have been obsessed with attaining maximum profit through increasing production (output) resulting into progressive increase of working hours, this reduces labour motivation and morale due to lack of ample time to come with new ideas and skills of invention and innovation leading to decline in efficiency. Example employees working for eighteen hours a day.</p> <p>Inefficiency of other factors of production: For a labour to work efficiently he or she depends on the efficiency of other factors of production such as land, labour, capital and entrepreneur (organiser). If the factors of production has decline its level of efficiency, it will also affect an employee by leading to fall in efficiency of production. Example breakdown of machines, loss of land fertility and poor administration.</p>
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<p>Lack of enough skills and knowledge: Employees may also lack the required skills and knowledge required or needed in production process due to technological improvements and lack of continuous training by the departments responsible. Due to ignorance it results into progressive inefficiency during production since the firm will be overcome by other competing firms. And therefore training should be provided through seminars and demonstrations. Example employees may not know on how to operate machines and computers.</p>
<p>Low payments to workers: The firm or enterprise may also contribute to the inefficiency of employees by reduction of level of wages, this discourages hard working, reduces motivation and morale for work and increases dissatisfaction among employees which generally results into the situation. And therefore the firm has to increase the level of wages and salaries so as to promote efficiency. Example low payment of salaries and wages to managers and employed staff members.</p>
<p>Lack of labour incentives: An enterprise may not provide or may have reduced the provision of employees incentives at work which also leads to inefficiency in production level. The firm or management may have removed various allowances and reliefs to employees such as housing and transport allowances and married relief, which generally stimulates hardworking which results into increased efficiency, and now if the enterprise stops the provision it discourages the spirit of hardworking and reduces employees motivation and morale of work leading into inefficiency. Example less provision of housing allowance, transport and meal allowance to employees.</p>
<p>All in all an enterprise can boost up employees efficiency by: increasing payment level, providing training and education, providing incentives or other factors and provide incentives such as housing allowance, transport allowance, promotions, marriage and children reliefs which in general will help in boosting employees morale and motivation for work, improve their skills and knowledge and provide spirit of hardworking, making it more easy for an enterprise to achieve efficiency in the process of production.</p>

Extract 5.1: A sample of the correct responses to question 5

In Extract 5.1, the candidate suggested the possible causes for declining of production efficiency of employees at Maneno business enterprises.

A total of 102 (6.19%) candidates whose performance was average managed to give at least three out of six causes for decline of production efficiency of employees. On the other hand, some candidates managed to highlight all causes but failed to provide appropriate explanation to most of the points.

A total of 14 (0.84%) candidates scored marks ranging from 0 to 6.5. These candidates had a weak performance. They had insufficient knowledge of causes for labour efficiency in production. For example, one of the candidates explained the possible causes for decline in production such as *fall in price of goods, increase in price of raw materials, labour immobility, production process stoppage, increase in cost of production instead of the causes of labour inefficiency*. The candidates failed to differentiate the causes for decrease in production and that of labour inefficiency in production. Other candidates, identified some causes such as *poor management, poor infrastructures, technological evolution* but failed to link them with demand of the question. The candidates failed to know that, the causes for declining production efficiency among the employees include: *low level of education and training, low wages and salaries, lack of social services and incentive to workers, uncondusive working environment, long working hours, employees' health (sickness), undesirable personal attributes, management style, peace of mind, lack of experience and lack of division of labour*. Extract 5.2 is a sample of incorrect responses on question 5 in paper 1.

	Production is the	
5	Creation of utility. There are two types of production which are Direct production and indirect production. The following is Production efficiency of employees at various Business Enterprises has been declining progressively over the years like as follows:	
	To satisfy human wants;	
	Production help to satisfy human want in different ways in the Society or Country that it may help to satisfy goods and services in order to in order to protect efficiency of employees.	
	To improve well wealth;	
	now days employees they may improve their wealth in the Society through the production that help to protect wealth for all people in the Society or Country so this is the one among the cause of production efficiency.	
	To promote Employment opportunity;	
	production as well production help to promote employment in order to work in the Society that it can satisfy want	
	To promote marketing growth;	
	the government they can promote the production in order to growth the market in the Society that it may help the growth and to get profit in the Society or Country.	

2.1.6 Question 6: Warehousing

The question was as follows: *Assess six important functions of warehousing in the process of marketing of goods and services.*

The question was answered by 1,504 (82.23%) candidates. Among them 1,184 (78.73%) candidates scored from 12 to 20 marks, 267 (17.75%) scored from 7 to 11.5 marks and 53 (3.52%) scored from 0 to 6.5 marks. Figure 6 summaries the performance on question 6.

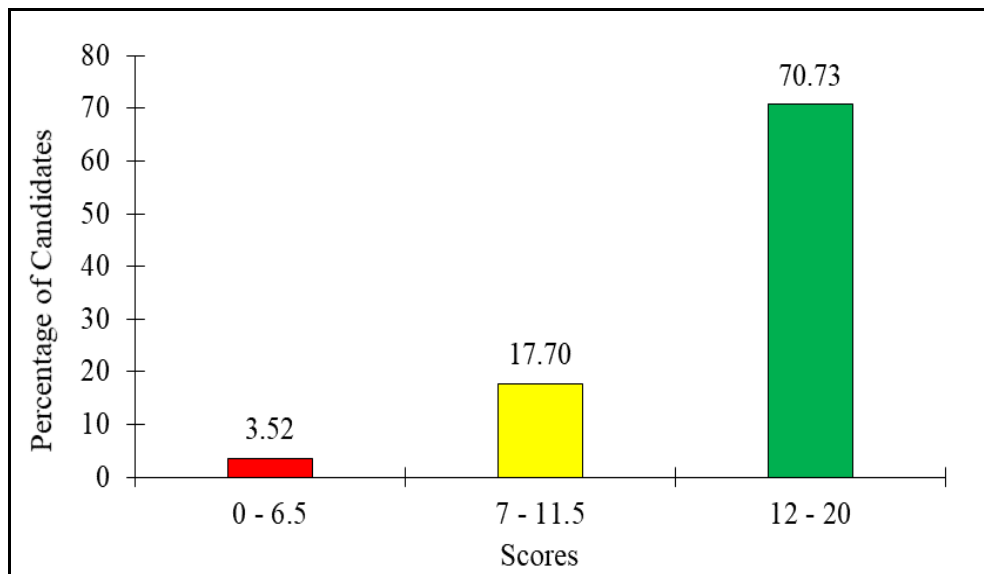


Figure 6: *Candidates' Performance on Question 6 in Paper 1*

Figure 6 shows that 96.48 percent of the candidates who attempted this question had scores ranging from 7 to 20 marks. This shows that the general performance in this question was good.

A total 1,184 (78.73%) candidates with high scores (12 to 20 marks) were competent in the important functions of warehousing in the process of marketing of goods and services. They identified set of activities that involved in the process of marketing of goods and services such as receiving, storing and preparing goods for shipment or distribution to traders and customers. A few candidates scored all 20 marks while the scores of other candidates varied according to the correctness of the points provided and clarity of their explanation. Extract 6.1 is a sample of the correct responses from one of the candidates with high scores on question 6.

6	<p>warehousing is the process of storing goods in a special room or building in order to prevent them from damage or spoilage until they are needed by the customers in future. There are several types of warehouse ^{for example} private warehouse, public warehouse and bonded warehouse. The following are the important function of warehousing in the process of marketing of goods and services:</p>	
	<p>Storage. The main function of warehousing is storage of goods until they are needed by consumer for future use. due to that it enable trade to take place through out the year whereby it ensures availability of goods in the market for example agricultural warehouse in which maize, rice and beans are stored due to that it gives confidence to the government to face natural calamities like drought as it ensure availability of food in the warehouses hence saves the life of people.</p>	
	<p>Risk bearing. The warehouse is responsible to bear the risk which may occur in the warehouse such risk include fire outbreak and theft outbreak whereby the goods stored in their warehouse will be compensated by the warehouse due to that it prevent losses to the business men who store their goods in the warehouse hence retain them to their financial position simply because it is responsible to safeguard the goods.</p>	
	<p>stabilizing price. The warehouse is responsible for stabilize price for example private or public warehouse in which people buy goods or products during their surplus and selling them during their scarcity as they will issue them from the warehouses to the market due to that it stabilize price as it prevent from occurrence of inflation simply because the producers take opportunity to increase the price of goods when they are scarce due to that it decline the standard</p>	

of living of people-hence function of warehousing.
financing- Through warehousing the businessmen who store their goods in warehouses can acquire fund from the warehouse by using the goods kept in the warehouse as collateral security in terms of failure to repay back the loan the warehouse can take those goods kept in the warehouse and compensate his/her loan granted to the customer- due to that it enable them to acquire money or fund to expand their capital hence become important function of warehousing.
Preparation of goods. Through warehousing goods are kept can be prepared for sale while they are in the warehouses for example the businessmen can brand and packaging his/her products while goods are in the warehouses in order for them to be ready to be sold due to that it enable the customer who kept goods in the warehouse to look for customers or market in which he/she can sell his products at large quantity by conducting market research hence become important function of warehousing.
safeguarding goods: People store their goods especially agricultural goods such as maize, rice, beans vegetable and fruits in specialized warehouses in order to safeguard them against damage or spoilage simply because the acquire facilities for storing those goods due to that it prevent damage of goods hence prevent loss to the produce as it ensures him safety of his products for future use due to that it become important function simply because goods are arranged systematically
Generally warehouses are very important as it stabilize the price of goods, it enable seasonal goods such as umbrellas and gumboots to be available when they are needed, it enable to increase quality of products such as wines and it protects goods from damage or spoilage hence prevent loss to the producers.

Extract 6.1: A sample of the correct responses to question 6

Extract 6.1 shows a correct response from a candidate who explained the important functions of warehousing in the process of marketing of goods and services.

On the other hands, the analysis shows that 267 (17.75%) candidates had average scores ranging from 7 to 11.5 marks. These candidates managed to assess at least three correct functions of warehousing in the marketing of goods and services. They also followed the essay writing procedures demonstrating their mastery in the area. Most of the candidates linked some functions of warehousing in the process of marketing of goods and services however some candidates' explanations were not connected to the identified functions. Some of the candidates in this category mixed some correct with incorrect answer in their responses. For example, one of the candidates included in one of the advantages of warehouse to the government such as: *source of government revenue* which is one among the advantages of warehousing. Likewise, other candidates mixed the correct functions of warehousing in making of goods and services with stock administration functions such as: *receiving* and *issuing of stock*.

A total of 53 (3.52%) candidates had scores ranging from 0 to 6.5 marks. Majority of the candidates in this category mentioned some correct points but could not give clear explanation to most of the points. Many candidates in this group were able to only correctly account two (2) points. Some candidates only managed to explain or offer the meaning of warehousing in the introduction section and failed to offer a more convincing discussion on the function of warehousing in facilitating the marketing of goods and services. Other candidates explained the levels of stock such as *maximum*, *minimum*, *average stock levels*. The candidates failed to know that warehousing *facilitates storage, price stabilisation, risk bearing, financing in loan issues, preparation of goods for sale and ensures steady supply of goods in market. It also, it brings goods close to the customers in the process of marketing*. Extract 6.2 is one of the incorrect responses to question 6.

6. Warehousing refers to the process of receiving and storing goods in the warehouse until when the goods are needed in the market. There are several warehousing functions in the process of marketing of goods and services. The following are the functions of warehousing in the process of marketing of goods and services.

Receiving of stock; receiving of stock is the process which involves unloading of goods from the stock container, labeling the goods to know whose goods are they, verification of the document, inspection as to ~~ensure~~ make sure that goods have been delivered in the right quantity and quality as stated in the document and also physical counting.

Placing of stock; placing of stock is the process of arranging goods in the warehouse. Space in the warehouse should be arranged in a way that the good which are heavy should be at the floor and there should be separation between the old stock and the new stock of goods and the goods which which are frequently picked should be easily accessible.

Caring of stock; caring of stock is the process that involves removing of dust on the goods in the warehouse, removing the damage or spoiled goods from the rest of the stock, cleaning the warehousing floor nicely and even regulating the atmospheric conditions of the warehousing according or corresponding with the nature or type of goods store in the warehouse.

Issuing of stock; issuing of stock refers to the process of releasing the stock from the warehouse whereas it involves activities such as receiving of the order on what type and quantity of goods is needed on

6.	<p>market, picking of the goods in the right quantity and of the right quality which are needed by the person who sent the order and finally the preparation of the required document such as release warranty which is a very important and finally delivery of the goods to the person who ordered the goods.</p> <p>Stock taking; stock taking refer to the process of conducting physical count on the goods which are in the warehouse so as to ensure the the quantity of goods in the warehouse correspond with the quantity of goods which is record in the books, it may be due to theft, incorrectly labeling and recording in the books of the warehouses or stock control books.</p> <p>Stock valuation; stock valuation refer to the process of finding the value of goods which are stored in the warehouse, through opening various books of accounts which are used to ascertain the value of the stock stored in the warehouse at a specific period time.</p> <p>Generally, warehousing process have various advantages or benefit which include it help to increase the quality of good such as liquor, it help to stabilize price of various goods by reducing the excess supply and storing it and also lead to a smooth flow of production process in the industry.</p>
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Extract 6.2: A sample of an incorrect response on question 6

In extract 6.2. The candidate explained the functions of stock administration instead of the functions of warehousing in the process of marketing of goods and services.

2.1.7 Question 7: Banking

In this question the candidates were given the following scenario: *Commercial banks have crucial roles in respect to development of business communities in developing nation like Tanzania. In six points, validate this statement.* They were required to validate the statement using the crucial roles of commercial banks to the development of business communities in developing nation like Tanzania.

This question was attempted by a total of 1,488 (81.36%) candidates, among them, 1,374 (92.34%) candidates scored from 12 to 20 marks, 111 (7.46%) scored from 7 to 11.5 marks and 3 (0.20%) scored from 0 to 6.5 marks. The general performance was good since 1,485 (99.80%) candidates scored average marks and above (7 to 20 marks). Figure 7 summarises the performance on question 7.

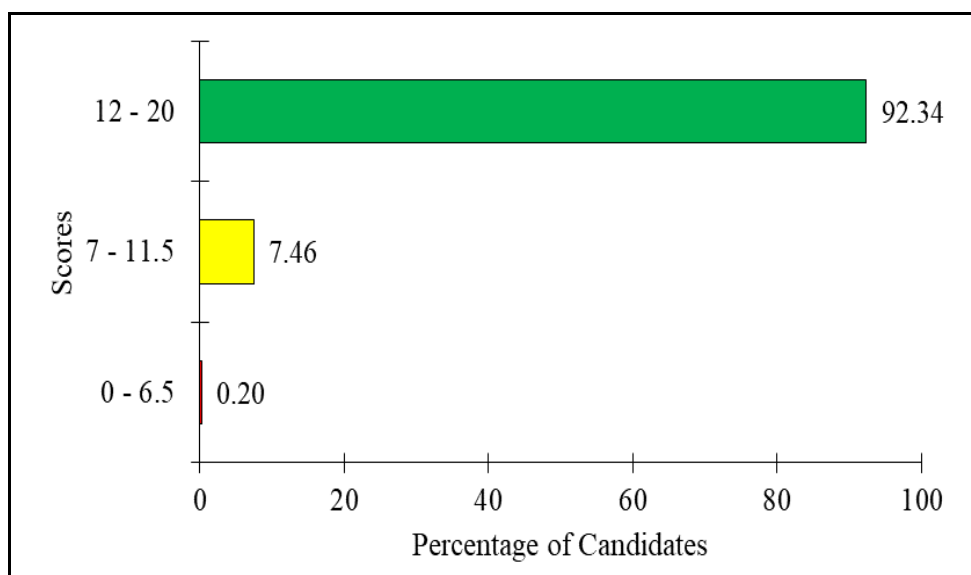


Figure 7: Candidates' Performance on Question 7 in Paper 1

Figure 7 indicates that candidates who scored average marks and above successfully understood the question's demands and demonstrated good knowledge of the examined concept.

The analysis shows that, the 1,374 (92.34%) candidates who scored high marks (12 to 20) were able to validate the statement by providing crucial roles played by commercial banks to business communities. Most of them provided sufficient number of points to validate the statement given

however, some candidates offered points with missed key information. Others, validate the statement with five correct points out of the required six. They included in their response one of the functions of central bank such as (issue of currency). Moreover, many in this group have portrayed their good essay writing skills. Extract 7.1 present a sample of correct responses from a candidate who scored high marks on question 7.

7.	<p>Commercial banks refers to the financial institutions within the business country which offer financial supports to the people and businessmen. Examples of commercial banks are, CRDB, NMB, NBC, standard chartered bank, AMANA bank and many others. These commercial banks offer financial support to business communities, due to the following roles they perform:</p> <p>Commercial banks safeguard deposits; These commercial banks makes sure that the deposits made by various business communities are likely safe and free from a lot of risks such as theft, they offer various accounts, for example, saving accounts, fixed deposit accounts and current accounts, through which the money that is deposited by the business community is kept, and thus this ensures the business community to continue conducting business, since the safety of their money is guaranteed.</p>	
7.	<p>Commercial banks offer credits facilities; Various commercial banks offer credit facilities to these business communities with credit worthiness, the credits, for example, loans, overdrafts and other credits are there to ensure that the business communities always have finance to continue the running of their business activities and ensure that there are expansion of various business and hence it leads to an increase in the development of the various economic sectors.</p> <p>Commercial banks offer financial advises to their customers; Business communities are a part of the bank's customers, commercial banks for example, NBC bank, CRDB and NMB, offer finance advises and education to these communities so as there are able to perform well their business activities but also so that they can utilize effectively their resources including the credits that they obtain from this banks, and hence enables most credits taken to become performing credits in order the business communities to expand.</p>	

7	Commercial banks enables transfer of Funds; These commercial banks enables the business communities to be able to transfer funds from one bank to another so as to facilitate various business activities, foreexample, when of a business community decide to pay or transfer a fund from their bank to other banks, then the bank offers them with documents such as bank drafts which enables them to commence with their business transactions.
	Commercial banks enst offers security on the valuable assets; When the business communities have various valuable things to be kept, the bank will be a custodian of their valuable assets, foreexample property ownership certificates of various assets that are being owned by the business such as land, or buildings, will be kept within the bank and safely stored. Commercial banks offers safes or lockers for the storage of those valuable items, hence reduce the risk of losing the valuable assets or the risk of being stolen
	Generally, the commercial banks are playing a great role in ensuring that all businesses are then developing so that they can also lead to an increase in the business sector and the national development at large.

Extract 7.1: A sample of a correct response on question 7

Extract 7.1 shows a sample of a correct response to question 7. The candidate explained the crucial roles of commercial banks to business communities to validate the statement given.

The analysis further shows that, a total of 111 (7.46%) candidates had average scores ranged from 7 to 11.5 marks. The candidates understood the requirements of the question and had insufficient knowledge of the roles of commercial banks but failed to link some of the roles in the development of business communities in Tanzania. Hence failed to give precise explanations to some of the mentioned roles. Furthermore, some of the candidates mixed the correct roles with some roles of Bank of Tanzania

(BOT). Other candidates explained incorrectly the correct point for example, one of the candidates' responses include the points such as; *issuing currency, organiser of other banks and advice to the government on financial matters* which is the role of the Central bank of Tanzania to the government. Additionally, few candidates give all correct points but only few of them had explained on how the commercial banks plays role to the development of the business communities in Tanzania.

On the contrary, only a very few 3 (0.20%) candidates had weak performance (0 to 6.5 marks) in this question. One of the candidates mixed the advantages of banks in general to the communities such as: *providing employment; supporting government projects; improving living standard of the people; lowering transaction costs* with three correct roles of commercial banks of *accepting deposits, providing loans and raising capital*. The explanations given to all mentioned points had several weaknesses therefore deserved low scores. In addition, two candidates mentioned some correct roles but they failed to provide clear explanations to meet the demand of the questions. Other points given by these candidates were on the functions of central bank of Tanzania. Their weak performance had been attributed to inadequate knowledge of the concept examined and poor understanding of the requirement of the question. The candidate should have to know that, the commercial banks' roles to business communities include: *receipt of deposits, grand credit, collection of cheques and bills, safe custodian of valuable items and documents, remittance facilities, issuing of letters of credit and travellers' cheque, providing credit information and merchant banking services*. Extract 7.2 is a sample of incorrect responses to question 7.

7.	<p>Commercial banks; this refers to the financial institution which deals with keeping and recording out the process of the market in the economy. Examples of those commercial banks are like NMB, NBC, ZBC, CRDB, KBC and all others. all of the commercial banks are found in all places around the country thus this are provided out for the safety of peoples money for the improvement of currency. The following below are the crucial roles of the commercial banks in the country like Tanzania as follows;</p>	
	<p>To issue the currency; due to the presence of the commercial banks in various countries thus this they perform out the crucial roles of improving the issue of currency thus this is for the purpose of raising out the economic level and growth which it builds and raises out the level of the national currency thus due to the it provide an easy development of the country to become well developed in business communities in developing out its national currency.</p>	
	<p>Banker of the other banks; through the presences of the commercial banks in the country like Tanzania thus this it performs out its crucial roles as the banker of the other banks because it directs and guides out the small banks on how to perform and organize its business development so as to develop the country standard of living through the various levels of the countries standard.</p>	
	<p>Controller of the other banks; due to the commercial banks in the countries for the aim of developing out business communities thus this it performs its crucial roles by controlling other banks because it is the biggest financial institution in</p>	

7.	<p>the country that is why it performs its role as a controller because those other banks can not perform out their functions without guides from the commercial banks thus through this financial institution it emphasize on the roles in respect to development of business communities in the purpose of improving the nation.</p> <p>To provide loan; due to the presence of the commercial banks thus this it provides out loan to the individuals in the country thus but this it can all be due to the collateral security that the borrower is lending to so as the government can be aware about the interest that should be charged out during the period of returning back the amount of money that is being owned by the bank to the customer for the development of the business commitment.</p> <p>To deposit money and withdraw; through the occurrences of the commercial banks in the country like Tanzania thus this it provides out benefit to both the bank as well as the people because through withdrawing money and deposit of money the currency standard can be improved but also the money can be kept in a well organized area or place which can not be damaged or stolen.</p> <p>Organiser of the other banks; due to the occurrences of the crucial roles of the commercial banks in the country thus it performs out its role by organizing other banks on how to improve and raise out the economic level thus through the commercial banks the development of business communities can become well improved but when all of the other banks decide to follow out all the guides provided by the institution.</p>
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Extract 7.2: A sample of an incorrect response from the candidate with low score to question 7

In extract 7.2. the candidate used the functions of the central bank to the government in points (i), (ii), (iii), and (vi), instead of the crucial roles of commercial banks to the business community. However, point of providing

loan stands for both commercial bank and central bank but the explanations are not valid in validating the given statement.

2.2 COMMERCE PAPER 2

2.2.1 Question 1: Taxation

The question intended to test ability to identify the need of principle of taxation in tax collection. The question was; *For the Tanzania Revenue Authority (TRA) to maximize tax collections, it is not necessarily to obey principles of taxation. Basing on the principles of taxation, criticize this statement by giving six points.*

The question was compulsory so it was attempted by all 1,829 (100%) candidates. The data shows that 1,453 (79.44%) candidates scored from 12 to 20 marks, 312 (17.06%) scored from 7 to 11.5 marks and 64 (3.50%) candidates scored from 0 to 6.5 marks. This performance is summarised in Figure 8.

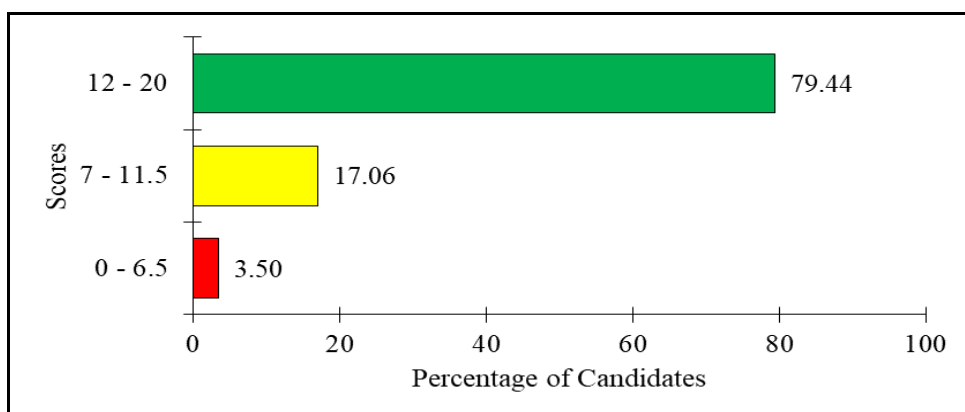


Figure 8: Candidates' Performance on Question 1 in Paper 2

The question had good performance since 1,765 (96.50%) candidates scored from 7 to 20 marks. In addition, few candidates 64 (3.50%) scored below 7 out of the 20 allocated marks as seen in Figure 8.

The 1,453 (79.44%) candidates who scored from 12 to 20 marks understood the principles of taxation that are used by Tanzania Revenue Authority and maximises tax collection. They understood that the principles are used as a guide to tax collectors and tax payers. Proper use

of principles resulted into *fairness, efficiency, economy, flexibility, convenient and simplicity* in tax collection hence tax collection maximisation. Despite of being aware of the need of using the principles to maximise tax collection some candidates could not provide explanations as per demand of question. Some provided correct explanation to only three points while other points had inappropriate explanation. The analysis further shows that candidates who scored high marks were able to examine the need of each principle of taxation used to maximise that tax collections. The candidates who scored full marks were knowledgeable and adhere to the requirement of the question. Other candidates' scores differed according to individual ability to defend the principles in maximising tax collection. Extract 8.1 is a sample of correct response to question 8.

1.	<p>Taxation refers to the compulsory financial contribution imposed by the government to the public so as to increase government revenue. Taxation can be direct on the income of people or indirect on the consumption of goods and services. The taxation process has to obey principles of taxation that is Tanzania Revenue Authority (TRA) has to fully observe the principles. The following are the principles of taxation that Tanzania Revenue Authority (TRA) should necessarily obey:</p> <p>Principle of Economy: Under this principle, it states that the taxes collected from the public should be greater than the actual cost incurred in collecting them. This principle has to be followed so as to ensure that the economy does not face deficit in its budget due to high spending that collection of revenue, and therefore it should be obeyed by the tax authority.</p> <p>Principle of Elasticity: It states that tax system collection should be elastic, that is it should be able to contract and relax basing on the economic condition of the country. During boom, then it can be increased (tax rate) and during depression it should also be possible to reduce (tax rate), this helps in leaving tax payers with sufficient income that can help to sustain their lives and hence it should be obeyed by the tax authority.</p> <p>Principle of Equity: Taxes imposed on the people should be charged basing on their level of income without exploiting some of the individuals. For the low income earners, they should pay low tax and for the high income earners, should pay high tax, this helps in income redistribution within the economy between the rich and poor people and hence it has to be obeyed by Tanzania Revenue Authority (TRA).</p>
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1.	<p>Principle of Productivity: It states that the taxes collected should be used on productive projects of the country and also a reasonable amount of income should be left with the tax payers so as to ensure productivity of an individual life system. This generally helps to promote economic, social and political development and growth of the country through developmental projects such as construction of roads and investments in capital goods and hence it should be obeyed by the tax authority.</p> <p>Principle of Certainty: It states that all the terms, nature, time and amount of paying tax should be known to the tax payers and tax collectors, so as to reduce uncertainties that are possible to happen or occur during tax collection or payment. Example individuals who are employed are always aware of the percentage of PAYE tax charged to them. Through it creates economic stability and avoids uncertainties and it should therefore be obeyed.</p> <p>Principle of Convenience: This principle creates a need for the tax payers and tax collectors, to be convenient with tax paying and collection so as to avoid any inconvenience that is likely to arise. Through this it encourages and stimulates simple and easy management of tax collection and therefore it has to be obeyed by the Tanzania Revenue Authority (TRA) so as to simplify tax collection process.</p> <p>All in all taxation helps in increasing government revenue, helps to solve the problem of deficit in budgeting, helps to create employment opportunities, helps in repaying public debts, helps to increase investments and hence promoting general social and economic development of the country.</p>
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Extract 8.1: A sample of the correct responses on question 1

In Extract 8.1 the candidate used the principles of taxation to criticise the statement that ‘For Tanzania Revenue Authority (TRA) to maximise its tax collections, it is not necessary to obey principles of taxation’.

On the other hand, the 312 (17.06%) candidates who had average performance scored from 7 to 11.5 marks had partial knowledge of the principles of tax in tax collection. These candidates understood the requirements of question with some of them explaining correctly at least only two principles as per the question requirements while others mentioned principles which were correct but had interchanged the

explanation on some of the principles. Likewise, some of the candidates identified all six principles correctly but offered weak or incorrect explanations to justify their need in tax collection. Also, there were few candidates who mixed correct principles of taxation with a few principles of insurance, such as: *the principle of indemnity, utmost good faith*. Others included in their correct responses some concepts which did not match with the requirement of the question such as *encourage investment and reduce purchasing power* and hence scored average marks.

Despite of good performance in this question, a total of 64 (3.50%) candidates scored from 0 to 6.5 marks. This shows that these candidates had insufficient knowledge about the principles of taxation. Some of the candidates answered the question by mentioning at least two taxation principles but they could not support them with correct explanations. Furthermore, some of the candidates used different terms used in taxation like: *double taxation, tax evasion, tax avoidance* as response to this question which were all wrong. The analysis also shows that, some of the candidates explained the advantages of taxation such as: *increase government revenue, control import and control production of harmful goods*.

Moreover, other candidates mixed two correct principles of taxation with qualities of good money such as: *durability, measurability, portability and scarcity*. In addition to that, other candidates explained the importance of taxation such as: *helps in provision of social services, improves infrastructure, increase national income, increase government revenue and promote employment, it may cause inflation, discourage saving, discourage people to work hard, it may cause black markets, may lead into tax avoidance and evasion*. They failed to realise that, principles of taxation include: *flexibility; certainty; productivity; convenience; economy; and equity* improve tax collection. Extract 8.2 is a sample of an incorrect response on question 1 in paper 2.

4.	Taxation, is the compulsory con-
	tribution of money to the government from
	an individual. There are two types
	of taxation where by tax can be
	imposed directly or indirectly where
	by in directly way the tax imposed
	through as personal income and
	properties and indirect tax, the tax
	are imposed on the goods and services.
	But Tanzania Revenue Authority
	(<TRA>) is the organization which
	collect its revenue from the people.
	The following are functions of
	Tanzania Revenue Authority (<TRA>).
	Used ^{Used} In provision of social
	services. This means that the Tanzania
	Revenue Authority is the source
	of helping country to provide social
	services to the public like
	education, health services where
	by The Tanzania Revenue Authority
	after being collecting the revenue
	to the people these revenue
	is going to be used in the
	provision of social services where
	by schools are builded hospital
	also are builded in order for the
	people to get their basic needs
	and wants.
	Improve Infrastructure. This
	means that the Tanzania Revenue
	Authority after collecting the revenue

<p> 1. to the people the revenue used to improve some infrastructure in the country where by through the revenues the roads are constructed where by these roads are used in transporting from one place to another. It increase the national income. </p> <p> This means that the Tanzania Revenue Authority it help to increase the income of the country through the tax are collected from the people either direct or indirect but it make the national to increase its income where by the Tanzania Revenue Auth ority it make the nation to be having the higher level of the income where it make the country to have the goodwill. </p> <p> Increase the government revenue. </p> <p> This means that the Tanzania Revenue Authority it help the government to receive more revenue due to the tax that are contributed by (TRA) Tanzania Revenue Authority where by through these tax that are contributed are increasing the reve nue of the government. </p> <p> Promote employment. This means that the Tanzania Revenue Authority it may create employment opportunities where by the TRA can give the chance of trained people who </p>	
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1.	have skills on the issue of the collecting tax to the public where by the people can get the chance to work in the (TRA) Tanzania Revenue Authority.	
	Generally, there are elements of Tanzania Revenue Authority which are discourage investment, discourage saving, discourage hard working, it cause inflation in the country.	

Extract 8.2: A sample of incorrect responses to question 1

In Extract 8.2, the candidate went contrary to the question requirements by explaining the importance or advantages of taxation instead of the need of taxation principles in maximising tax collection.

2.2.2 Question 2: Foreign Trade

The question was as follows: *Tanzania is among the countries facing international trade barriers in its international trade operations. In six points, validate this statement by giving examples.*

The question was intended to test the candidates' understanding of the international trade barriers that countries face when engaging in international trade.

A total of 1,706 (93.28%) candidates answered this question, out of whom 1,449 (84.94%) candidates scored from 12 to 20 marks, 159 (9.32%), scored from 7 to 11.5 marks and 98 (5.74%) scored from 0 to 6.5 marks. Generally, the candidates' performance in this question was good as 1,608 (94.26%) candidates had good and average performance. Figure 9 summarises the performance of the candidates on question 2 in paper 2.

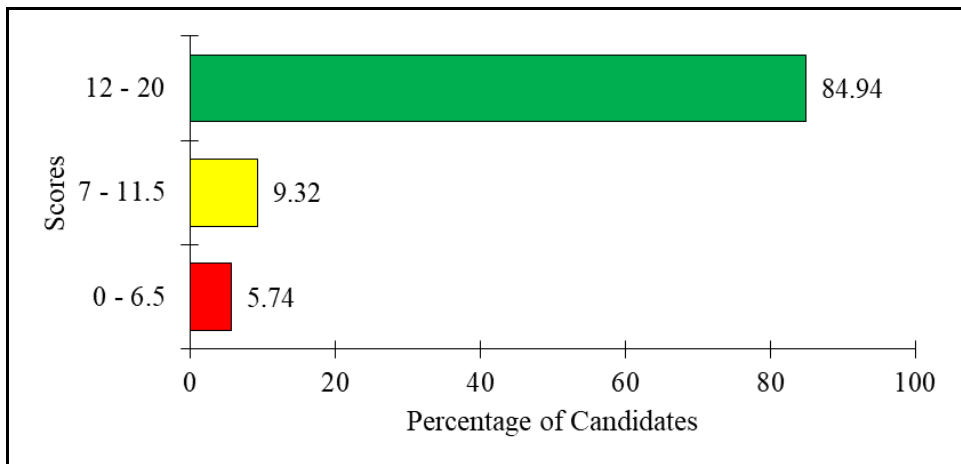


Figure 9: Candidates' Performance on question 2 in Paper 2

Figure 9 shows that the majority 1,608 (94.26%) candidates scored from 7 to 20 marks in this question therefore, the overall candidates' performance was good.

A total of 1,449 (84.94%) candidates who scored high marks which ranged from 12 to 20 marks had good performance. These candidates were aware of different trade barriers that different country faces in international trade. Many candidates validated the statement by providing different trade barriers faced by different countries, Tanzania traders in particularly. Candidates had realised that if there is *misunderstanding among the countries* it could be difficult to trade between the countries. Additionally, they understood that, the *presence of administrative control* limits international trade because a lot of *rules, procedures and bureaucratic requirements* are involved. They were also aware that *introduction of limitation in quantity of goods/services to be bought/sold* to or from other countries hinder international trade. Furthermore, the candidates knew that, *low level of technology* for a country like Tanzania affect the quality of products which cannot compete with that of developed countries. However, some candidates' responses in this group did not deserve full marks because of minor discrepancies in their explanations. Extracts 9.1 is a sample of a correct response on question 2 in paper 2.

02. International trade, is the buying and selling of goods and services across the boundaries. The international trade involves more than one country in trade. There are two types of international trade: Import trade and export trade, which involves selling to another country and buying from another country. The international trade faces different international trade barriers including Tanzania in its international trade operations. Below are the international trade barriers faced by Tanzania:-

Tariff; This is the trade barrier that is imposed, hence it is the tax that is imposed on the goods imported in the country. When the goods imported are charged tax, the price of the commodities imported rises, which leads to a high price of the imported goods than the locally manufactured goods, hence demand decreases, which leads to the international trade barrier it being the barrier facing Tanzania in international trade operations.

Quota; This is the barrier imposed in the international trade that restricts the quantity of the product imported. If the quantity exceeds the requirement, the excess quantity is restricted from crossing the border, hence limiting the amount of goods being imported. This helps to minimize much importation of the goods being produced locally, since it can lead to a decline of the infant industries. It being the barrier to the international trade that Tanzania faces in the international trade.

02.	<p>Total ban; This is the barrier in the international trade that is the complete restriction of the certain type of goods in the country, it aims at protecting monopoly and the local infant industries in the country, hence also such kind of products are being harmful to the people for example the cosmetics that change the colour of people are being imported with total ban hence it being the barrier that is faced by Tanzania in its international trade operations.</p>	
	<p>Devaluation; This refers to the decreasing the value of our currency proportionally in terms of other currency this tends to decrease the value of our currency to decline and therefore the imports being of high price since a lot of money is used to buy our currency this limits the level of the importation in the country though it encourages the exportation of goods hence it being the barrier that is faced by Tanzania in its international trade operations.</p>	
	<p>Exchange rate; This refers to the amount of money that is received in case you exchange the currency of our country in terms of the other currency according to the rate that is set up by the government. In the international trade so as to control the importation the country may increase the rate of exchange such that more money is used to buy the currency of the country of which it will discourage the importation of the goods and the services hence it being the trade barrier that is faced by Tanzania in its international trade operations.</p>	

02.	Government policy of the country; This is the barrier in international trade where by if the government policy is to promote more export the level of import will be restricted in the country also the tax on importation will be increased or if the policy of the country is to protect the local infant industries it will be provided with the subsidies so as to compete with importation it being the barrier to the international trade that Tanzania face at its process of international trade
	Generally, International trade is important among the countries the level of protection should be reduced so as to encourage the development of countries in many aspects as international trade leads to employment, it leads to transfer of technology hence it being important

Extract 9.1: A sample of the correct responses to question 2

The analysis of data shows that 159 (9.32%), candidates who had an average performance scored from 7 to 11.5 marks. It was observed that some of these candidates provided at least three correct trade barriers the countries are faced in international trade with satisfactory explanations. Other candidates identified all barriers but did not provide some relevant discussions to most of the points. Also, some of them interchanged the explanation among the challenges for example, one of the candidates interchanged the explanations for country quotas with total ban and tariffs and difference in currency and devaluation.

Furthermore, a total of 98 (5.74%) candidates scored from 0 to 6.5 marks demonstrated insufficient knowledge about international trade barriers. Some among these candidates identified one or two international trade barriers but the explanations given to those had some discrepancies responses in explanations. Also included in their responses is the importance of international trade which was contrary to the question requirements. They were supposed to understand that *exchange control, currency devaluation, total ban, administrative controls, low level of technology, long procedures and documentations* counted as barriers to international trade. Furthermore, other problems that a county might face are, *misunderstanding among nations, language differences, distance*

between the importers and exporters, country policy, difference in currencies, production of similar goods/services, sanitary regulations, tariffs barriers, country quotas, licensing requirements and high transport costs it become difficult for countries to trade in. Extracts 9.2 is a sample of an incorrect response on question 2 in paper 2.

2.	<p>International trade refers to trade relations between two or more nations. Trade refers to buying and selling of goods and services between two or more countries. There are two major forms of international trade which are Bilateral trade and multilateral trade. Bilateral trade is the trade between only two nations or countries while multilateral trade refers to the trade between two to more nations. Example: Tanzania relation with Thailand is bilateral trade but Tanzania with Kenya, Uganda and Burundi is multilateral trade. The following are the trade barriers that Tanzania faces in its international trade operations.</p> <p>Destroy of domestic industries; This is the major trade barrier faces Tanzania in its international trade operations and it commonly occur through the means of high import of good in good quality and large quantity would tend to attract more consumers in demanding foreign good and to domestic good produced result to have low demand and even not sold to the domestic market. Example Importation of jewelry from foreign countries would lead to discourage the rapiki khangha industry locally.</p> <p>Importation of harmful goods; This is the other trade barrier faces Tanzania in its international trade operations and it commonly occur through the existence of high quality of good sometime result to import goods which are outdated in use which result to great effect to the consumers whom are use or used the particular goods. Example In the year of 2014 alot of cases of imported good especially in cosmetic had complains from different customers affected in use of outdated cosmetic which was commonly called cosolite whitening the skin and most of consumers affect by having the skin burns on their cheeks turn red in colour.</p>
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2.	<p><u>Over dependence</u>; This is the other trade barrier faces Tanzania in its international trade operation and it commonly occur within a country of Tanzania resulted to laziness to large number of people, especially youth depending on most activities to be imported by the government from other different foreign countries and could lead even to low economic progress of the country. Example in country of Tanzania most of youth doesn't invest themselves in innovation of any activity or establishing and just involve on normal goods available with other economic activities like fishing, Agriculture and lumbering.</p>	
	<p><u>Dumping</u>; This is the other trade barrier faces Tanzania in its international trade operation and it commonly occur within a country of Tanzania resulted to imports on goods of second hand that mean are previously used by foreigners and been dumped to Tanzania consumed again in uses by Tanzanians and this is particularly or firmly know to every individual and full participated widely. Examples of commodities which are mostly dumped in Tanzania are Clothes, Phones and even to labor requirement wigs.</p>	
	<p><u>Importation of inflation goods</u>; This is the other trade barrier faces Tanzania in its international trade operation and it commonly occur within a country of Tanzania resulted to import goods which are in highly price sold within our domestic country and would force the domestic consumers to demand the goods with its inflationary price which affects their local income levels. Example of imported inflation goods are Electronic utensils like plate cooking gas, electricity fans and electrical cleaning utensils.</p>	

2.	Moral erosion; This is the other trade barrier
	faces Tanzania in its international trade operation and it commonly
	occurs within a country of Tanzania resulted to inputs the
	different norms and customs of different foreign countries and
	resulted to mis behave for the youths and sometimes
	ends to the effect on poor living standards. Example
	The means of use of drugs in foreign countries
	Some of them had accepted the use of drugs but in
	our common Tanzania country is illegal actions and
	foreign country which accepted it is from Rwanda series.
	Inconclusively; there are also the
	benefits enjoyed from international trade in Tanzania
	country which are transfer of technology, importing
	of goods which it cannot produce and transfer of skills and
	knowledge from foreigners.

Extract 9.2: A sample of incorrect responses to question 2

In Extract 9.2 a candidate explained the disadvantages of foreign trade instead of international trade barriers a country faces when involving in international trade.

2.2.3 Question 3: Business Units

The question was as follows: *Different societies in Tanzania experienced the importance of cooperative societies in their community. However, most of the cooperatives had poor endings. Explain three factors that lead to poor endings and suggest three ways for the success of the cooperatives.* It was aimed to test candidates' ability to identify the factors for failure in cooperative societies in Tanzania and the solution for the failure.

The question was answered by 1,671 (91.36%) candidates of whom 1,500 (89.76%) candidates scored from 12 to 20 marks, 148 (8.86%) scored from 7 to 11.5 marks while a few 23 (1.38%) candidates scored from 0 to 6.5 marks. Generally, the question had good performance as majority the majority of the candidate's 98.62 percent of the scored from 7 to 20 marks. The summary of the candidates' performance in this question is shown in Figure 10.

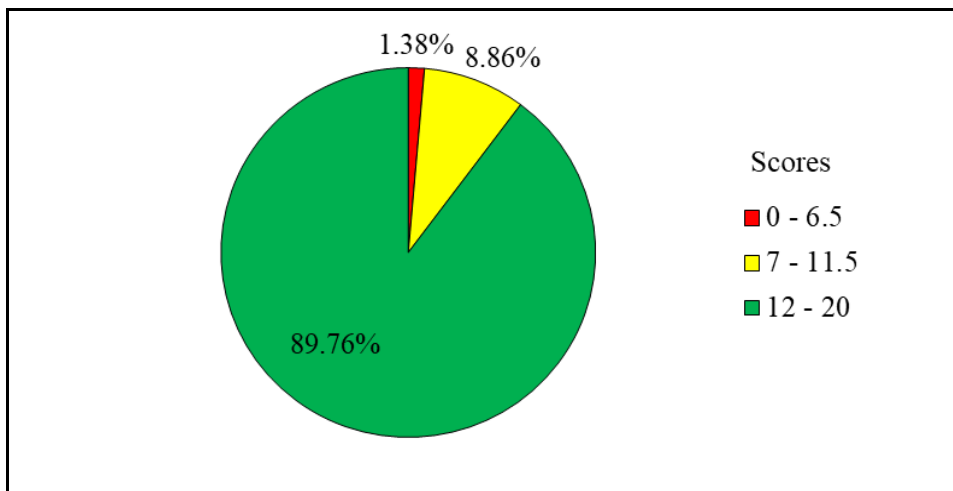


Figure 10: *Candidates' Performance on Question 3 in Paper 2*

Figure 10 shows that 23 (1.38%) candidates had weak performance and majority 1,648 (98.62%) candidates scored from 7 to 20 marks. This reflects that the candidates were competent on the examined competence.

A total 1,500 (89.76%) candidates had good performance with high marks which ranged from 12 to 20 marks. These candidates' responses revealed they sufficient on the factors that lead to the poor ending of cooperative societies in Tanzania and possible way to mitigate problem for the success of cooperative societies. Candidates who scored higher score in this question gave a detailed discussion on the factors which can lead to the poor ending of cooperative societies in Tanzania. They aware that, *the sources of capital* for the cooperatives societies comes from cooperative members' shares of whom had low or moderate income and hence inadequate capital. These candidates knew that some selected members to lead the cooperatives had *limited administrative skills/management skills* that result into poor cooperative endings. Additionally, they recognised that some *cooperative officials were not trust worth* were involved in corruption by taking some cooperative properties. Also, *some members took loan from the cooperatives but could not repay the loan*. Furthermore, the candidates were able to suggest possible way to mitigate these problems for the success of cooperative societies. Extract 10.1 presents a sample of a correct response on question 3 in paper 2.

3.	<p>Cooperative societies are the organization of members who have the same and common intended goals and objectives. It is said that, different societies in Tanzania experience the importance of cooperative societies in their community however most of the cooperatives had poor endings and ways for the success of their cooperatives. By starting with the factors that led to poor endings as follows:-</p>	5.2
	<p>Shortage of Fund; It is one of the factors that lead to poor endings since most of the cooperatives tend to face the challenge of shortage of Fund or capital to as to reach their pre-determined goals and objectives hence such funds are very essential as they facilitate the efficiency of the business, that making the cooperative societies to use various sources such as loan from financial institutions.</p>	
	<p>Corruption; It is one among the factors that lead to poor endings because most of the members tend to misuse the public funds or cooperative funds for their own leisure without looking the consequences that might face the whole cooperative. So through corrupt members the cooperation tend to get discouraged and causing the worse or poor endings of the cooperative society.</p>	
	<p>Insufficient transport facilities; also one among the factors that lead to poor endings is poor infrastructural facilities for transporting their goods from one place to another. Where as most of the roads in the country are not well constructed thus during the rain seasons, the cooperative society fail to transport and transfer their products from one area to another, resulting to poor endings in a particular cooperative society.</p>	
	<p>Also, the following are the ways for the success of the cooperatives and these are as follows:-</p>	

3.	Goals and objectives; It is one of the ways for the success of the cooperatives where as most of the cooperative societies succeeded because they work under the same goals and objectives of reaching a certain achievement. This brings success because the members in the cooperative become more committed in doing all the required and necessary duties for the aim of reaching the goal.
	Adequate volume of the business; one among the ways for the success of the cooperative is through the amount of business volume where by large or high initial business leads to high goals and objectives and so the members be sure or are assured of earning high goals from the business more that a small business where the members aim for high goals while their business is of small volume and thus bringing no success in the cooperation.
	High managerial ability and honesty; also among the ways for the success of the cooperative is through the abilities and trust of the members. In cooperative societies there various members with various skills and natural abilities and so through the combination of these skill it leads to a greater success to the organization and also most honest among the members since members should be trustful for the best achievement of the cooperative.
	In general, there are various rules, guidelines and principals that guide the cooperative societies such as neutrality, equality that all members are equal regardless of the age, race, status and gender and also open membership, democratic administrative that there should be no any bias in administering the members and also dividend or payment where the members in the cooperative societies are being paid equally the dividend and also limited interest in the share capital.

Extract 10.1: A sample of a correct response to question 3

Extract 10.1 shows that the candidate explained the factors for poor endings of cooperatives and suggested ways for the success of the cooperatives in Tanzania.

The candidates who scored average marks from 7 to 11.5 marks were 148 (8.86%). The majority of these candidates' responses showed that they had knowledge and skills on the cooperative societies particular on the factors for their poor ending and solutions for such poor ending of cooperative. Some of them correctly explained the factors but could not respond on way forward to success. Likewise, some of their responses were correct but some were observed in explanation to some points particularly on the way towards the success.

The total of 23 (1.38%) candidates scored marks from 0 to 6.5. The candidates' responses show that they lacked adequate knowledge of the tested competences. The analysis of their responses showed that some of these candidates gave a few correct factors but with unsupportive explanations and totally failed to suggest the way forward for the success. Majority of the candidates failed to differentiate cooperatives from partnership therefore responded on the advantages of partnership. However, these candidates scored some marks on introduction part only as they explained the term cooperative societies.

Additionally, some candidates completely failed to score any mark because some of them explained about the limitations of international trade instead of factors that lead to poor ending of the cooperative and the ways forward. The candidates were unaware that, the following are the factors for poor ending of cooperatives such as, *insufficient finance, poor management, security limitation, corruption, competition from private sectors, dishonest of some members, poor transport facilities, insufficient storage facilities and unstable price for agricultural products*. Likewise, in order to solve or address these shortcomings to prevent cooperative societies from collapsing, cooperative societies need to: *provide education to officials; improving the cooperative management; obtain adequate financing; setting goals and objectives; provision of credit facilities with fair interest; loyalty; expansion of domestic and foreign markets; and adequate volume of business*. Extract 10.2 is a sample of incorrect responses to question 3 in paper 2.

3.	Cooperative societies, these refers to communities especially established usually by two or more countries so as to work together to achieve and reach certain political, social or economic goals. These include countries like East African Community (EAC), South African Development Community (SADC) among many others. These communities are mostly formed when the leaders of a nation or more agree to form some kind of alliance, in some instances. Cooperative societies are very beneficial however these societies reached a point that they had poor ending, so the factors are the factors that led to the fall of cooperative societies collectively and also ways for revival of the cooperative societies; Political misunderstandings, the cooperative societies failed and collapsed due to political warfare that had been going on among countries and their leaders who failed to agree with each other in some given situations for example; the East African Community had an issue between Uganda and Tanzania whereby the presidents were not in good terms so, Mugabe Nyare ideal the pen a political friend to another the other but in due process the community broke up. Difference in economic development, the level of economy of the countries which had formed cooperative societies was totally different so it was found that some of the countries were becoming overly dependent on the other countries something that
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Extract 10.2: A sample of an incorrect response to question 3

In extract 10.2. The candidate deviated from the question requirements by explaining some international trade barriers instead of factors which can lead into decline of cooperatives.

2.2.4 Question 4: Business Office

The question was; *One of the organisations uses alphabetical order filing system in keeping its office documents. In three points, suggest how this system would simplify the organisation’s work and give three challenges that the organization would face in using the system.*

The question was opted by 286 (15.64%) candidates and its general performance was good since 172 (60.14%) candidates scored from 12 to 20 marks, 102 (35.66%) scored from 7 to 11.5 marks and only 12 (4.20%) scored from 0 to 6.5 marks. This performance is summarised in Figure 11.

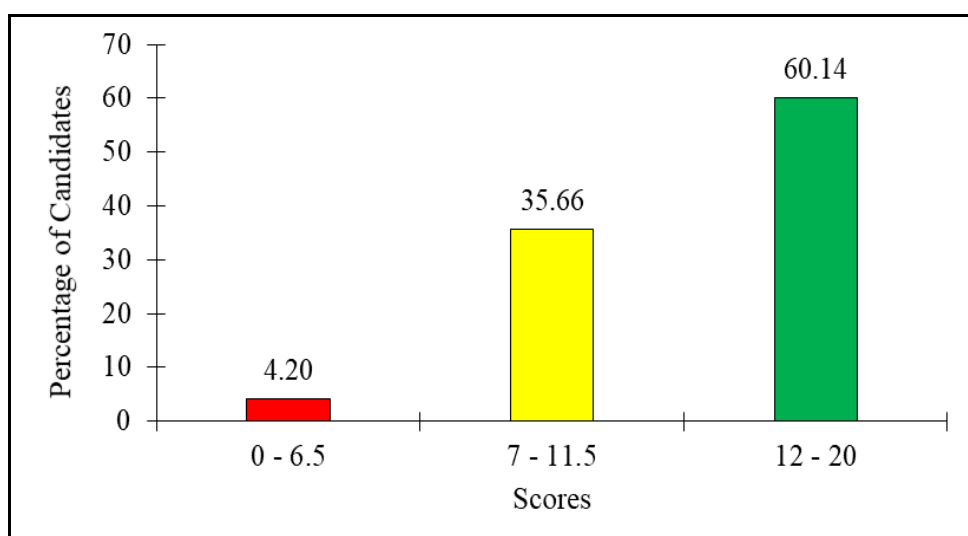


Figure 11: *Candidates’ Performance on Question 4 in Paper 2*

Figure 11 shows that the majority 274 (95.8%) candidates scored from 7 to 20 marks in this question therefore, the overall candidates’ performance was good.

The 172 (60.14%) candidates with high scores ranged from 12 to 20 marks were knowledgeable about filing systems used in different organisation. This was justified by their responses towards the question. For example, on the advantages side, they explained that the first *letter determines where the document is filled*, therefore allow direct filing. The candidates also recognised that, if documents are in alphabetic order, it would become *easy for grouping them by names of clients*. This brings *convenience in placing the documents* to the right file basing on the first letter of the

documents/client's name. In addition to that, they were aware that with alphabetical filing system the person involved in filing can *easily identify the right file from the group of files managed*. On contrary, they also understood that persons involved in filing can in error file the document(s) to the wrong file due to wrong spelling of first latter of the clients. eg a client is called Ramadhan in error placed to Lamadhan. Again, they explained that the system is affected by congestion under the common name, hence need a careful officer in filing. Furthermore, they were aware that with alphabetical order filing system sometime the cabinets may not look attractive because it is difficult to predict space required for different alphabets. Although the file can easily be located but it is difficult to locate the documents in a file.

However, some candidates explained three correct points on both advantages and challenges but some points lack clarity in their explanations and others among them used only examples on a to clarify their points. Furthermore, other candidates were able to mention either all correct points with incomplete explanations on fewer points. Despite slight differences noted in the candidates' responses most of the candidates in this category managed to answer the question according to the demand. A few candidates provided relatively correct responses with sufficient number of points as required and all had good essay writing skills. The differences in candidates' scores depended on the relevance and clarity of their explanations and the sufficient of number of the required points. Extract 11.1 a sample of correct responses to question 4 in paper 2.

4. Organization is an important part in company or firm or office management that responsible for ensuring the objectives directed to them concerning the company, firm or office are well achieved. Among of the filing system used by an organization is alphabetical filing system which consist the arrangement of files according to alphabet or by considering alphabetical series forexample; AA, AB, AC, AD, AE, The system used can simplify the organization work as follows;

It save time during searching of file; the system simplify organization work especially the time when there is need of filing then it make easier for the organisation to search for file and get it. forexample if the worker search for the file with alphabet AA, he or she will direct look at the place where files with alphabet AA are arranged hence it save time.

It is understandable system, the system simplify organization work since it is understandable system to those educated individual and workers. therefore this create or lead to speed and accuracy in provision of office services to the customer.

It lead to utilization of space; the alphabetical system create space utilization hence the organization layout will be favourable and create maximum comfortability to the organized workers. But also apart from the ways that the alphabetical system is simplifying work it is also contain risk and challenges toward the organization. the challenges include;

Q4	<p>Ease of leaking of information; in case of the presence of unfaithful worker in the organisation then since the system is easy to understand the unfaithful worker become easier for him or her to leakage * an organisations secrecy and objectives to unwanted people or dangerous people.</p> <p>Difficult for illiterate to understand; illiterate people are those people which are unable to read and write (uneducated one). The system will cause challenge to such kind of individual or a worker. Therefore the system favours only educated individuals.</p> <p>Ease of stealing the files; since the system make files to be easy understood and take short time to find the file then it create wide range of stealing the file easily and makes company or organisation good will in danger.</p> <p>There are also other system of filing which are; alpha-numerical filing system example A:1, A:2, A:3, A:4....., numerical filing system example 1:1, 1:2, 1:3, 1:4, regional filing system this include Dar-es-salaam, Kilimanjaro; subject wise filing system, art, business and science.</p>
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Extract 11.1: A sample of the correct responses to question 4

In Extract 11.1, the candidate explained how alphabetical filing system simplify the work of an organisation and its challenges.

A total of 102 (35.66%) candidates' performance was average as their scores ranged from 7 to 11.5 marks. The analysis of candidates' scripts revealed that some of candidates gave either correct points on how alphabetic filing system simplify the work in filing process or on challenges. Most of the candidates were able to mention the required advantages and challenges of alphabetical filing system but failed to give relevant explanations to defend most of some correct points. Likewise, some of the candidates mixed correct points with incorrect points in their responses. For example, some candidates mixed the advantage and disadvantages of alphabetical order filing with that of numerical or chronological filing.

Despite of good performance to this question, 12 (4.20%) candidates had weak performance as their scores ranged from 0 to 6.5 marks. These candidates' responses revealed that they were not conversant enough on the

concepts examined. Some of them highlighted the correct responses on earlier part of the question but could not answer later part about the challenges of alphabetical filing system. Many have even failed to explain how the alphabetical filing system can simplify the organisation's work and possible challenges which are likely to face that organisation. Extract 11.2 is a sample of the incorrect responses from a candidate who scored low marks on question 4 paper 2.

4.	<p>Office documents; this refers to the information stored by the organizations in order filing system. Thus the following below are the challenges that the organization would face in using the system as follows below;</p>	
	<p>Less time consuming; due to the presence of the office documents thus this can simplify the organization work thus because the office document will not be stored in a highly time thus this is less time consuming to those who are storing the documents.</p>	
	<p>Less expensive; through the means of the source of the office document thus this is less expensive because the organization requires much in keeping out the documents from the organization work thus this system does not require out much alphabetical order filing system in keeping the office documents.</p>	
	<p>Highly storage; due to the absence of the office document thus this it uses alphabetical order filing system in keeping the office documents thus because it is highly storage therefore the document are well preserved in the level of using the system.</p>	
	<p>Therefore the following are the challenges that the organization would face in using the system.</p>	
	<p>Lack of internet; due to this the organization fails to store their office documents in alphabetical order filing system because of lack of internet because the document in order for them to stay in a long period of time it should be stored in internet.</p>	

4.	Poor organization programs; thus through the purpose of storage of office documents in the uses of alphabetical order filing system their should have the good organization program that will be easily opened in order for them to easily store the office document.
	Therefore; the following above are the system which simplify the organization's work as well as the challenges that the organization would face in using the system.

Extract 11.2: A sample of the incorrect responses to question 4

In Extract 11.2 the candidate explained how keeping the documents in the computer simplify the work of organisation and its challenges.

2.2.5 Question 5: Export Trade

The question was; *Exporters include the expenses incurred in transporting the goods to the importers in determining the price for the exported goods. In nine points, suggest the terms of sale that exporters use in price quotation.*

The question was answered by 482 (26.35%) candidates out of whom 349 (72.41%) candidates scored from 12 to 20 marks, 88 (18.26%) scored from 7 to 11.5 marks and 45 (9.3%) scored from 0 to 6.5 marks.

This question had good performance because 437 (90.67%) candidates scored from 7 to 20 marks. Figure 12 summarises this performance.

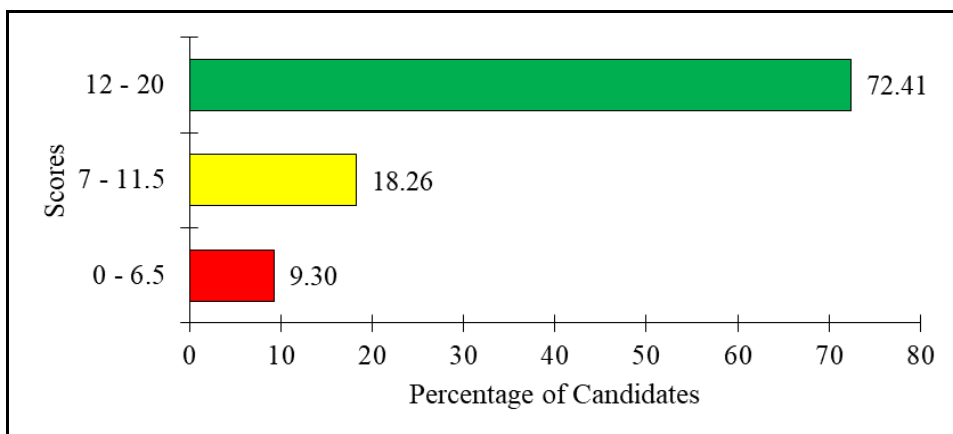


Figure 12: Candidates' Performance on Question 5 in Paper 2

Figure 12 shows that 90.67 percent of the candidates scored average and above (7 to 20) marks.

The candidates 349 (72.41%) who scored from 12 to 20 marks adhered to the requirement of the question. They understood the terms of sales that exporters used in price quotation. They were aware of what terminology imply in terms of who is to pay for shipping, insurance, import duties and who assumes all other risks during the trade. The candidates who scored high marks explained the terms correctly as required. Other candidates who scored below 20 marks knew the terms but they interchanged explanations on one or two terms. However, individual scores varied accordingly to individual ability to elaborate the terms. Extract 12.1 presents a relatively correct response from one of the candidates who scored high marks.

5	<p>Export trade is the type of trade which involves selling of goods or services to abroad. For example when Tanzania sells Tanzanite to China. A person who conduct export trade is known as an exporter. The exporters and importers (the ones who buy goods and services from abroad) usually agree on different ways of settling their debt as per the international commercial terms (Incoterms). Incoterms are set of rules and guidelines set by the international chamber of commerce on how the importers and exporters will be responsible in settling their debt. Exporters can set prices of their goods basing on different terms of sale. The following are some of them.</p> <p>Ex-work; This is the price quotation that include cost of the goods as they leave manufacturer's premises. All other goods' expenses or costs that may arise outside the manufacturer premises will have to be paid by the buyer (importer). For example the costs of transporting goods from the premise of the manufacturer or exporter will not be included in this price quotation since they will have to be paid by the buyer and not the seller. Ex-work is the cheapest type of price quotation since it covers only few expenses.</p>
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Free on rail (FOR); This is the price quotation that include all the costs of taking the goods from the manufacturer premises (transportation costs). All the cost or expenses that may be incurred in transporting good through means such as railway will be included and therefore the seller will receive the cost plus the expenses of transporting the goods. FOR doesn't include the expenses of taking goods to the dock or terminal.

Delivered dock (DD); This is the price quotation that includes the expenses of transporting the goods to the nearby dock. A dock is the place where ships are loading and off loading. All the costs of taking the goods from manufacturer's premises, transportation costs and costs of transporting the goods to the nearby dock will be included in this price quotation. Therefore in this price quotation the buyer will pay relatively huge price than in free on rail (FOR).

Free along side ship (FAS); This price quotation include all the costs from ex-work up to delivered dock (DD) plus the costs of taking the good to the nearby ship but not the costs of taking the goods on the ship (loading charges). All the costs of preparing the goods for transportation along side the side will be included but the loading charges will not be included and therefore they will have to be paid by the importer (buyer).

Free on board (FOB); This is the price quotation which includes all the costs from ex-work up to FAS plus the loading charges. The price quotation will include the costs of taking the goods inside the ships (loading charges). The price of goods that the buyer will have to pay will include the loading

charges that will be incurred by the exporter in the dock. Free on board (FOB) will not include the freight charges, they will have to be paid by the importer (buyer).

Cost, insurance and freight (CIF); This is the price quotation which covers all the costs from the manufacturer's premises plus the insurance costs and freight charges. The importer will pay high price since the price will cover the expenses that will be incurred by the exporter in insurance and freight charges. This type of price quotation enables importers to be assure that they may be compensated even if losses or damages may occur to their goods.

Loaded; This is the price quotation which covers all the costs of taking goods from manufacturer's premises up to cost, insurance and freight plus the loading off (unloading) charges. The seller will have to pay all the costs up to those of unloading the goods in the destination of the importer. This type of quotation will cover all the costs of taking the goods from the destination of exporter up to the destination of importer. Other charges after unloading of goods will be paid by the importer.

In bond and duty paid; In bond will cover the cost of taking the goods to the bonded warehouse and other handling charges that may be incurred to the goods while they are in bonded warehouse. But it won't include custom duties. Duty paid will cover all the expenses of handling the goods in warehouse as well as the custom duties. The exporter will pay all the custom duties if the importer will decide to use duty paid otherwise the importer will pay for the cost of in bond.

	<p>Franco; This is the price quotation whereby the exporter covers all the expenses of transporting the goods from his/her destination to the destination of the importer. All the expenses will be paid by the exporter therefore the importer will incur no costs. It is the most expensive price quotation since it covers all the costs from those incurred in transportation, bonded warehouses and dock. Therefore the goods will be delivered up to the premises of the importer.</p> <p>Generally international commercial terms play greater role in international trade in facilitating the importation and exportation of goods. They help to promote fair and safety dealings between the importers and exporters in international trade. They are help to show the responsibilities of each part in the international trade.</p>
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Extract 12.1 is a sample of the relatively correct responses to question 5

Extract 12.1 shows response from the candidates who scored high marks by explaining the terms of sale that exporters use in price quotation. However, the explanation for Free on Rail (FOR) had some discrepancies as stated that the price includes all transport costs while in FOB the exporter's price includes packing and delivery charges up to the railway station in the exporter's country.

A total of 88 (18.26%) candidates performed average with scores which ranged from 7 to 11.5 marks. The analysis of candidates' script of this category revealed that most of the candidates were aware of the terms of sale used by exporters in price quotation. Some candidates' responses included all correct terms but among them some explanations did not reflect or match the actual meaning of the terms. Others gave fewer number of terms of sale with correct details. Likewise, few candidates mentioned all six required points but failed to clarify them as per question requirement.

The candidates 45 (9.3%) who scored marks from 0 to 6.5 marks faced with several challenges in attempting the question. Some of them identified some terms of sale used in price quotation but they completely failed to link the terms with price quotation, for example, some of the candidates wrote

ex-work, FOB, delivery dock but failed to link with price quotation. In addition, a few candidates' responses showed misinterpret on the demands of the question. For example, one of the candidates wrote on different documents used in international trade by writing *invoice, bill of lading, certificate of incorporation, letter of credit and quotation*. Others explained protectionism methods used in international trade like *total ban, import tariff and total ban*. They were supposed to know that after price determination, seller examine the prices based on who pay for certain cost and what costs should be added or deducted from the total cost or purchasing price if paid by the seller or buyer respectively. Extract 12.2 presents a sample of incorrect responses to question 5.

05.	<p>Terms of sale :- Refer to the Means of payment between buyer and seller, the importer can pay to exporter through different ways so as to complete the trade. In importation and Exportation there is Many means of payment that make each trader to get his/her right. The following are term's of sale or means of payment in importation and exportation. as follow's:</p> <p>Advance payment :- the buyer or import can pay Money in advance so as to get goods he/she intend to buy, so the exporter increase revenue through receiving advance of payment by importer's. In payment of advance means the importer obtain goods after last payment.</p> <p>Bank transfer :- the importer transfer amount of Money from his financial institution to exporter's bank so as to make simple the payment of Money because the transfer of Money through bank make easy handling of Money than Cash.</p> <p>Bill of exchange :- Refer to an Conditional order signed by creditor to debtor, also importer paying exporter's through the bill of exchange which state name of payer and state the amount pay and also state the name of receiver.</p> <p>Cash payment :- sometime importer paying Money through Cash payment to exporter. It make easy for exporter to get finance than other means of payment like Credit payment or facilities, the cash pay</p>
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5. ment is best Method or Way because reduce number of bad debt's, since payment made by Cash.

Consignment payment :- the exporter can obtain finance through Consignment payment when Consignor send goods to Consignee. After reaching of the goods Make easy for payment by Consignee to Consignor, so Make easy for exporter in acquiring Money.

Open account :- Sometime buyer or Importer send Money to seller or exporter through accounts like CRDB and NMB, through bank accounts facilitate or it Make easy for a Money to be transferred from Importer account to exporter account.

Escrow service :- the service provided by the buyer can lead for payment to the seller, example buyer or Importer to pay for Custom charges and duties, and other tariffs. It lead or Make the payment to be low because Importer pay instead of exporter or seller.

Hire purchase payment :- the Importer own goods until he make the final or he finish the final payment. this lead to decrease in number of bad debt's because seller or exporter remain with possession of goods until the buyer or Importer he finish these payment.

Differed payment :- the buyer or Importer own goods after making initial payment, this enable number of people to own the goods also Make easy for low income earners.

5	to satisfy goods and wants. but through the differed payment lead to increase number of bad debts because some debtor fail to pay back debts, also lead to the decrease in the profit of seller or exporter.
	Conclusion All terms of trade or means of payment allow the expand of trade and lead to increase growth of trade because allow large number of people to engage in trade because of various payment made by trader's to their customer, example cash payment for the person with high income and credit payment for the people with small income, so it lead to the development of trade.

Extract 12.2: A sample of incorrect responses to question 5

In extract 12.2, the candidate has explained the means of payments in international trade instead of international commercial terms of sale used by exporters in price quotation.

2.2.6 Question 6: Marketing

The candidates were required to justify how packaging and packing are inevitable in modern business. The question was, *in modern business, packaging and packing are inevitable. Justify the validity of this statement by using six points.*

The question was attempted by 1,531 (83.71%) candidates. Among them 1,120 (73.15%) candidates scored from 12 to 20 marks, 361 (23.58%) scored from 7 to 11.5 marks and 50 (3.27%) scored from 0 to 6.5 marks). The overall performance in this question was good since 1,481 (96.73) of the candidates scored average and above (7 to 20 marks). Figure 13 summarises the performance on question 6 paper 2.

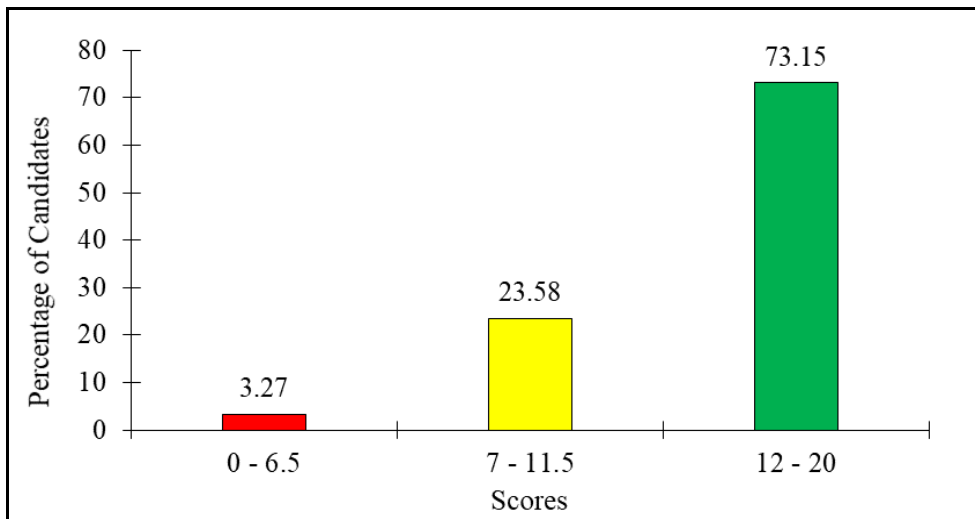


Figure 13: *Candidates' Performance on Question 6 in Paper 2*

Figure 13 shows that the question had good performance because 1,481 (96.73%) out of 1,829 candidates scored from 7 to 20 marks.

The 1,120 (73.15%) candidates who scored 12 to 20 marks were conversant with the importance of package and packaging in modern business world. They knew through packaging and packing it is *easy to protect goods from damages, spoilage and leakage*. They also explained that, if goods are packed well, it is *easy to advertise* and make customer aware of them. *Using brand name*, packaging and packing convinces customers to buy the goods. Therefore, most of them provided relevant responses. However, some responses had minor discrepancies in explanations. Extract 13.1 is a sample of the correct responses from one of the candidates who scored high marks.

6.	<p>Packaging is the preparation of all one kind or type of goods for their purpose of putting them in one place, and Packing is process of putting goods in a safety place can be cans, bottles, bails, and other place which are suitable for carrying a product. In any modern business Packing and Packaging are necessary, because it is not possible to produce a product for example liquid product without keeping it in a bottle. Therefore Packaging and Packing are important to any manufacturers or modern office business. The following are Significance or Importances of Packing and Packaging.</p> <p>Protect goods from damage; manufactures doing the process of packing and packaging because it helps to protect goods from damage. For example production of goods which are in glass form can easily break should be kept to the box to avoid the damage while goods are in transit. Packaging and packing helps to protect goods from damage because when a producer produce a goods without putting them into a specific place. Many problems can happen.</p> <p>Protect goods from evaporation; packaging and packing protect goods from evaporation. therefore manufactures pack their goods in a safe place in order to avoid evaporation. Some products like liquor can evaporate easily. Therefore they should be kept in a special bottle which will be sealed in order to avoid the evaporation. Manufacturer should ensure that all goods which are likely to evaporate are packed clearly.</p> <p>Protect goods from spoilage; another reason to why packing and packaging are inevitable in a modern office business. It is because Packing and packing helps to protect goods from getting spoilage. For Example some goods which are produced are perishable, they can easily spoilage. Therefore these types of goods should be keeps in cans or bails with chemicals which will helps them to last longer. And hence packaging and packing helps to protect the goods from getting spoilage.</p> <p>Simplify the carrying of goods during transportation; when goods are kept in one place. Example in boxes, crates, bottles, cartons it is simple for them to be carried when they are needed to be -</p>
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6.	<p>transported from the place where they are manufactured to where they are needed. Therefore, manufacturers pack their produced goods in their specific categories in order to make it simple in carrying them when they are needed to be transported from one place to another.</p> <p>Packaging and packing helps in distribution of goods; another reason why packaging and packing are inevitable in modern business, is it helps the manufacturers to distribute goods to where they are needed. For example when goods are well packed and packaged it helps or it brings easier to distribute them in different places. For example when soda are in crates it is easier to send them off to the retailer because they are already packed.</p> <p>Packaging and packing protect goods from loss; it is also inevitable to business nowadays because it helps to protect goods against loss. When goods are well packed it is not easy to get lost one by one, unless the package is not well closed. Therefore the process of packaging and packing helps manufacturers to protect their goods against the risk of loss; not only manufacturer but also consumer can protect their delivery good from the risk of loss.</p> <p>Thus, packaging and packing process is very important to modern business as it helps to safeguard and protect the goods against danger of damage, loss, spoilage and evaporation. Also packing and packaging helps to simplify the carrying and distribution of goods from one place to another since goods are in a good condition (well packed parcels).</p>
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Extract 13.1: A sample of the correct responses to question 6

In Extract 13.1 the candidate analysed how packaging and packing is inevitable in the modern business.

The analysis shows that 361 (23.58%) candidates had average scores which ranged from 7 to 11.5 marks. They had partial knowledge on packaging and

packing of product particularly on their importance in modern business. This was noted from their response, which contained partial explanations to some of the correct points and insufficient number of correct points as required by the question. In addition, other candidate gave some correct points but interchanged the explanations of the points mentioned. For example, one of the candidates explained protection as spoilage and the vice versa. These observed weakness resulted into average performance.

Furthermore, a total of 50 (3.27%) candidates scored from 0 to 6.5 marks because they had inadequate knowledge of packaging and packing as marketing function. Some of the candidates explained at least two correct points but included incorrect responses such as *competition, different commodities can be packed* which were irrelevant explanations. Likewise, other candidates, mixed importance with disadvantages of packaging e.g. *helps the seller to get loans as sellers' credibility and increase in products' price*. Also, some of the candidates provided irrelevant responses such as: *increase cost of production, inadequate level of finance, and storage facilities, mass production, limited level of innovation, and market base*.

Furthermore, other candidates' responses deserved zero mark deviated completely from the demand of the question as their responses focused on general advantage of production by writing, *it helps to generate profit, it helps the country's growth and development, creates employment opportunities, helps to improve infrastructure and the standard of people*. The candidates failed to understand that modern businesses rely on packaging and packing for several key reasons, including *protecting goods from damage, spoilage, theft, and leakage, preserving product quality, and ensuring convenience for consumers when handling the product*. Extract 13.2 is a sample of incorrect responses to question 6.

Q5 Business is the any legal activities which earn the living, and there are two categories which are legal business and illegal business. All business are those which have already approved by the government and illegal business are those which has not accepted by the business government. The following are the advantages of the business.

It help to generate profit, this is due to the advantages of business where through conducting business should have a capital to start the bus and run the business activities so through business is aiming on making profit through buying and selling of goods and services to the consumer through making an exchange between buyer and seller so that helps in generating profit.

It helps the growth and development of the country, so that through the advantage of business it enable the growth and development of the country due to operating in international trade which lead to source of foreign currency also. Example through the collection of taxes which have imposed by the government.

It enable transport and communication, this is due to advantage of business where by it enable transport and communication in which transport help in movement of goods and services from one place to another while communication is used in the business to transmission of information, skills knowledge ideas from one person to another which helps to gain in trade.

<p>It Create employment opportunity, this is due to advantage of business where by through business it use to create employment opportunity to people Example people get employment through business like supplier which use to supply different kind of goods from one place of order to another so people get employment through business</p> <p>It help to improve Infrastructure, this is due to advantage of business in which helps in improvement of infrastructure Example road which transport can easier move from one place to another through providing of goods and services.</p> <p>It helps to improve living standard of people, this is due to advantage of business which helps in improvement of living standard of people Example for the consumer needs food in order to fulfill their basic need so through the available of the business makes makes people to improve in their basic need.</p> <p>Generally, through business as the lawful activities earn the living so it have it's disadvantages, poor education may lead to undergo of loss to the business, poor infrastructure maylead to poor delivery of goods and etc.</p>
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Extract 13.2: A sample of the incorrect responses to question 6

In Extract 13.2 the candidate explained the general importance/advantages of business instead advantages of packaging and packing in modern business.

2.2.7 Question 7: Import Trade

The candidates were provided with the scenario that, *imagine your school projects had a total of 20 million Tanzanian shillings and the school is planning to buy a school vehicle from Japan. Suggest to the school project committee six sources of information that would be useful to make the plan successful.* The question intended to assess the candidates' understanding on the sources of information in importing goods.

The question was answered by 1,640 (89.67%) candidates of whom 1,444 (88.05%) candidates scored from 12 to 20 marks, 147 (8.96%) scored from 7 to 11.5 marks and 49 (2.99%) scored from 0 to 6.5 marks. The candidates' performance in this question was generally good because 97.01 percent of the candidates scored from 7 to 20 marks. Figure 14 summarises this performance.

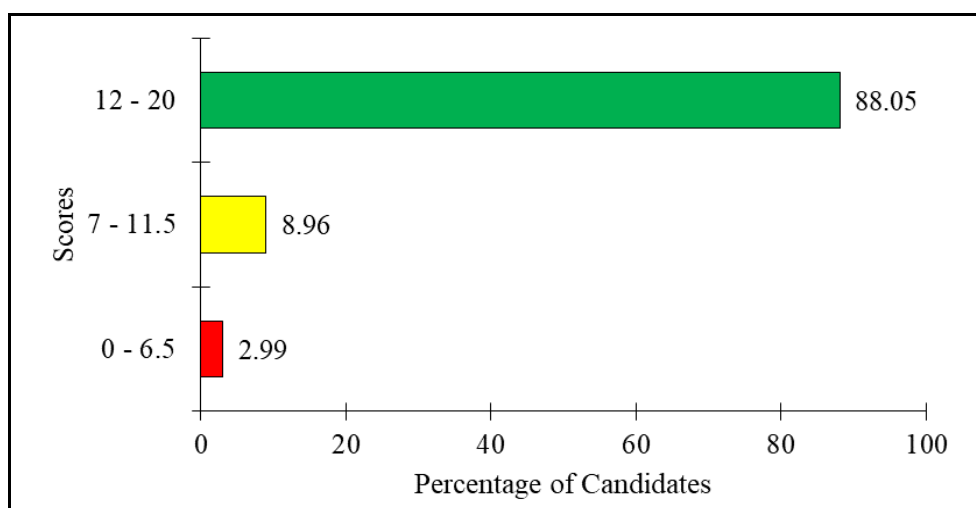


Figure 14: Candidates' Performance on Question 7 in Paper 2

The analysis of the data shows that 1,444 (88.05%) candidates had good performance as their scores in this question ranged from 12 to 20 marks. Generally, the responses from these candidates demonstrated their better understanding on the sources of information for the one who need to import goods. They were aware that it is not possible for the importer to obtain all the information about the products needed direct from the *exporter* but through sources like *exporters' agents* who will provide correct information about the products because they need to build the company loyalty to its

customer. Additionally, these candidates explained how the *use of websites* such producer's and *world-wide websites* can provide relevant information to the buyer of goods. They understood that through producer's website they can get all necessary information from the sellers directly. Similarly, when using internet, they can access different information about the products in demand. Their responses also focused on the other sources like *international trade centre* for gathering information on trade agreement between the buyer and seller on the product needed and also different *advertising media*. Most of these candidates provided relevant explanations to almost all sources despite of few grammatical errors. Likewise, some of them were able to provide five sources will slight errors in their explanation. Extract 14.1 represent the sample of correct response from a candidate who scored high marks in question 7.

7	<p>Import trade is a trade which involve buying of goods from abroad the country. Example a buyer in Tanzania buys goods from Japan he or she conduct import trade. The person who buy goods from abroad is importer but before buying goods he or she needs some other informations like culture of people, weather condition, cost of transport, price of commodity and exchange rate for a given country. The following are sources of information that would be useful to conduct import trade.</p>
	<p>Consular offices: These are offices for ambassadors of different countries in a country. Example in Tanzania there is office of ambassador of Japan in Tanzania. Before importing goods buyer can get a lot of information about that goods like its price and total cost of transport from the consular offices because they know various details about how trade is being conducted in their home country.</p>

	<p>Internet. This is through various digital platforms, social medias and webpages. Before buying goods from abroad the buyer can get a lot of information from internet. Example cost of goods and the total cost of transportation for that goods from where it originates to a place where it is needed by the buyer of goods.</p>
	<p>Agents or middlemen. These are people who buy goods from abroad on behalf of others. Example of Agents in Tanzania is SBT Japan. Before buying goods from abroad buyer can gather a lot of information from middlemen's or agents' information. Like cost of goods because they have a lot of experience on trade.</p>
	<p>Magazines and journals. Especially for specialized magazines and journals buyer of goods from abroad can get a lot of information. Example cost of transport and cost of products. There are specialized magazines and journals explaining about a certain phenomena of trade for a given country. Example industries in Japan specialized in production of cars can be explained through specialized magazines and journals.</p> <p>Manufacturers' representatives. These are people who represent producer of goods in a given country to other country. Example a producer of school buses in Japan is having representatives in various countries. Through these representatives the buyer of goods to abroad can gather a lot of information like price of goods and cost of transport before buying goods.</p>
	<p>Trade affairs and exhibitions. Example of trade fairs and exhibitions is Nane nane. This is a place where different producers with in and outside the country show their products. The buyer who wants to buy goods from Japan can also get various information from there if they came to show their products.</p> <p>Generally apart from that sources but also buyer who want to buy goods from Japan he/she can gather a lot of information from board of internal trade and board of external trade.</p>

Extract 14.1: A sample of a correct response to question 7

In extract 14.1: The candidate explained the sources of information for importing goods like a car from other countries.

The analysis further shows that 147 (8.96%) candidates with average understood the demand of the question but had some discrepancies in their responses such as repetition of some points which were explained in different concepts but the same meaning, insufficient or unrelated explanation to support their points. Likewise, some candidates provided a smaller number of correct points than required example, three correct points mixed with other incorrect points. For example, one of the candidates' responses included *chamber of commerce, TANTRADE, advertising media, consular invoice* which were all correct points. However, in advertising media the candidate listed the media without explanations. He/she also included customs duty and nature of the product which were irrelevant. Moreover, the analysis shows that some of the candidates identified the sources of information but they failed to provide the details explanations to the identified sources due to partial knowledge of sources of information for importing goods or services by importers.

Furthermore, a total of 49 (2.99%) candidates scored from 0 to 6.5 marks because most of their responses lacks facts to the demand of the question. This shows that the candidates had insufficient knowledge about importers sources of information. Some of the candidates highlighted few correct points and explanations to few points they identified. For example, some of the candidates and explained the only two points out of six such as *Tanzania Chamber of Commerce and TANTRADE*. Likewise, the candidates scored marks in introduction others mentioned points without explanations. Some of the candidates explained the challenges that a country or individual such as: *exchange rate, means of payment, long distance, many documents* Extract 14.2 is a sample of incorrect responses from a candidate who scored low marks.

7 Planning: Refers to the process of keep and implement some organization objective for the purpose of achieving it goals, the following source of information should be used to make plan success for school project:

Administrative function: Plan success - the school project should be use some administrative to take responsibility for the issue of school. "Administrative help to make decision Example for what to do, when we will get and other."

Organizing: Is process of bring with group of people who join together and perform activity for their purpose of achieving good goals. So the school project of buying a school vehicle must have a member who will take it and organize to find and complete it.

Directing: This is system of supervise and leading as a leader to persons the responsibility which are available in the school. So the direction will make the school project to be going well without any challenges.

Controlling: Controlling is process of managing the activities in the organization which deals with the project of school. This controlling will make the member of that issue to be responsible of their responsibility which are

7	<p>given to complete the plan of buying school vehicle.</p> <p>Motivating (Innovation): The leader of the group must be supportive one who help the student to achieve the plan of get vehicle of school. This motivation will persuade and convince well to complete school project.</p> <p>Staffing: is process of grouping the staff according to the skill and knowledge. In school project to complete the task, staffing needed to complete the task. Staffing by specific act to divide the manor to take responsibility.</p> <p>By conclude, planning are activities for the well success the different issues to up very well because it is source of achieving good goal in different sectors.</p>
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Extract 14.2: A sample of incorrect responses to question 7

In Extract 14.2, the candidate explained the function of management instead the sources of information for importing goods.

3.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH TOPIC

Commerce paper 1 and 2 examination comprised a total of 14 questions composed from 14 topics. The analysis shows that the overall performance in Commerce subject was good because 13 out of 14 topics had good performance and 1 topic had average performance.

The topics with good performance were: *Banking (99.80%), Scope of Commerce (99.16%), Production (99.16%), Business Units (98.62%), Import Trade (97.01%), Marketing (96.73%), Taxation (96.50%), Warehousing (96.48%), Business Office (95.80%), Foreign Trade (94.26%), Transport and Communication (94.18%), Stock Exchange (93.44%) and Export Trade (90.67%)*. In addition, one topic had average performance which is advertising (36.22%). The reasons for the good performance had been attributed to good teaching and learning strategies

used by different educational stakeholders in teaching and learning process and the ability of the candidates to apply the knowledge and skills acquired in learning process. The analysis of candidates' performance per topic is summarised in the Appendix.

4.0 CONCLUSION AND RECOMMENDATIONS

4.1 Conclusion

The analysis of the candidates' performance in the Commerce subject indicates that overall results were good, as all 1,829 candidates (100%) who sat for the examination passed. Most of the candidates answered the questions according to the demand and hence scored high marks. Further, analysis shows that, some candidates identified the requirement of the question and knowledgeable of the competences examined but their response had some discrepancies. Furthermore, a few candidates' responses show several weaknesses including sufficient number of correct responses, poor mastery of English language and repetition of points and misinterpretation of question and hence average performance.

4.2 Recommendations

For better performance of candidates in Commerce subject in future, it is recommended that:

- (a) Teachers are encouraged to use more group discussion method of teaching to enhancement student engagement and collaboration. This method promotes peer learning and critical thinking as students explore services offered by modern advertising companies. Teachers should also provide more assignments and regularly assess student progress, offering timely feedback to address learning challenges.
- (b) It is recommended that teachers utilise a wide range of instructional materials that clearly portray the various services offered by modern advertising agencies. These teaching aids may include visual charts, videos, real-life advertisements, brochures, and case studies from existing companies.

- (c) Teachers are advised to invite guest speakers from modern advertising firms allows students to gain practical insights into the industry. This approach connects classroom learning with real-world experience, deepens understanding of advertising services, and enhances student engagement.
- (d) Teacher should use academic field trips to modern advertising companies give students practical exposure that reinforces theoretical knowledge. Follow-up activities and feedback help consolidate learning, while additional support should be provided to students facing difficulties.

A Summary of the Analysis of the Candidates' Performance Topic

S/N	Topics	Number of questions	Percentage of candidates who scored the average of 35 or above	Remarks
1	Banking	7 (pp ₁)	99.80	Good
2	Scope of Commerce	4 (pp ₁)	99.16	Good
3	Production	5 (pp ₁)	99.16	Good
4	Business Units	3 (pp ₂)	98.62	Good
5	Import Trade	2 (pp ₂)	97.01	Good
6	Marketing	6 (pp ₂)	96.73	Good
7	Taxation	1 (pp ₂)	96.50	Good
8	Warehousing	6 (pp ₁)	96.48	Good
9	Business Office	4 (pp ₂)	95.80	Good
10	Foreign Trade	2 (pp ₂)	94.26	Good
11	Transport and Communication	2 (pp ₁)	94.18	Good
12	Stock Exchange	1 (pp ₁)	93.44	Good
13	Export Trade	5 (pp ₂)	90.67	Good
14	Advertising	1(pp ₁)	39.22	Average

