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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2020/2021 ACADEMIC YEAR**  
**FOR THE CERTIFICATE IN PROCUREMENT AND SUPPLIES MANAGEMENT**  
**CBM 015 – COMMERCE**

Date: 15<sup>th</sup> December, 2020.  
Time: 8.30am- 10.30am

**INSTRUCTIONS TO CANDIDATES**

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**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

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**QUESTION ONE (30 MARKS)**

- a) Commerce is a common term used around business arenas. In your own understanding explain what it is and its importance in the business community. (6 Marks)
- b) Commerce has two major divisions. Trade and auxiliaries to trade. Explain the services offered through auxiliaries to trade. (6 Marks)
- c) Before starting a business, a plan and a systematic study should be made of various preliminary considerations upon which depends the success or failure of business. Explain these considerations. (6 Marks)
- d) Explain the features and elements of a partnership business. (6 Marks)
- e) Highlight the major differences between exports and imports. (6 Marks)
- f) Write a short essay on how this unit will benefit you in your future endeavors especially in the business industry. (6 Marks)

**QUESTION TWO (20 MARKS)**

- a) Sole proprietorship is the form of business organization in which an individual introduces his own capital, uses his own skills and intelligence in the management of its affairs and is solely responsible for the result of its operations. Discuss its advantages. (6 Marks)
- b) Explain the difference between Commerce and Trade, Commerce and Industry as well as commerce and business. (7 Marks)
- c) Partnership comes in various forms discuss the major types of partnership. (7 Marks)

**QUESTION THREE (20 MARKS)**

- a) Export plays a major role in boosting the economy of the country elucidate the export trade process. (7 Marks)
- b) For commerce to take place effectively there has to be the presence of a market. Discuss in details the functions of a market. (7Marks)
- c) Explain the services of a wholesaler to a manufacturer. (6 Marks)

**QUESTION FOUR (20 MARKS)**

- a) The wholesalers render very useful services to retailers. Discuss these services. (7 Marks)
- b) Departmental stores are part of large-scale retailing. Discuss its advantages. (6 Marks)

**QUESTION FIVE (20 MARKS)**

- a) Discuss the sources of long-term finance in commerce. (10 Marks)
- b) Filling plays a major role in finance. Explain the essential qualities of a good filing system. (10 Marks)