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**JAMB » Commerce » 2015**

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1 The vessels that operate on specific route on high seas and oceans are

- A Coastal Liners and Cargo Liners
  - B Cargo Liners and Tramp liners
  - C Passenger liners and Tramp liners
  - D Passenger Liners and Cargo Liners
- 

2 When an oil exploring and mining company builds a health centre in one community where it operates, such a company is

- A Carrying favour from local people
  - B finding a way to spend excess profit
  - C Fulfilling part of its social responsibility
  - D Investing its idle fund
-

3 the world tourism organization has its headquarters in

A New York

B Madrid

C Paris

D London

---

4 A cheque drawn by a bank official on the bank's deposit in another bank on a customer's deposit in another bank

A Bank draft

B Bankers' order

C Promissory note

D Travelers cheque

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5 The development of commerce in west Africa was not hampered by

- A Inadequate capital
  - B Inadequate means of transportation
  - C Insurance
  - D Low savings
- 

## EduNgr.com JAMB Past Questions

6 Which of the following is classified as an immaterial want?

- A Protection
- B Raw materials
- C Machines
- D Goods and Services

7 In product pricing, which of these elements need more consideration than others?

- A The cost of producing the product
- B The economic conditions in the market
- C the demography of the buyers of the product
- D The demand for the product

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8 The major determinant of fire insurance premium is the

- A Owner of the property
- B usefulness of the property to the owner
- C Type and structure of the property to be insured

**D** extent of fire damaged anticipated.

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**9** The agency in Nigeria which ensure that products conform to government quality specification is the

**A** Nigerian consumers' association

**B** Manufacturers' Association of Nigeria

**C** Standard Organization of Nigeria

**D** Nigerian Chamber of commerce

---

**10** Citizens are against privatization mainly because of

**A** Ineffective Management

**B** The likely hood of monopoly

**C** Increased price of good and services

**D** The ration dilation of organizations.

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## EduNgr.com JAMB Past Questions

**11** A market where new shares are tracked is known as

- A** Primary Market
  - B** Stock Exchange
  - C** Secondary Market
  - D** Money Market
- 

**12** The application of division of labour would generally bring about

- A** Increase in quantity of goods and services
- B** Increase in variety of goods and services

**C** Cheapness of goods and services

**D** Cost efficiency in the production of goods and series.

---

**13** The computer using linear integrated circuit

technology complied with quantification of data in term of length and distance is

**A** Main frame Computer

**B** Digital Computer

**C** Analogue Computer

**D** Hybrid Computer

---

**14** The internet is a system of telecommunication

used for

**A** Sending electronic message

- B** Communicating messages through telegrams
- C** Communicating long-distance
- D** Sending and renewing text message

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**15** The implied provisions in every sale of goods as contained in the sale of goods act of 1893 are conditions and

- A** Guaranties
  - B** Warranties
  - C** Sureties
  - D** Consideration
-

16 Communication enhances business activities by

- A facilitating interaction between producers
  - B Facilitating interaction among media houses
  - C ensuring the movement of good forms the producer to the consumer
  - D keeping the goods safe until they and needed
- 

17 The effective and efficient delivery of the desired satisfaction by a firm is said to be the practice of

- A Product concept
  - B Marketing concept
  - C Distribution concept
  - D Price concept
-

18 The document that gives an important freehand to obtain goods from any manufacturer is

- A A closed indent
  - B A consular invoice
  - C A freight note
  - D An open indent
- 

19 Company has an authorized capital of 100million shares at N1 per share, out of which 50 million shares have been issued and fully paid-up the remaining 50 million shares have

- A Not yet been issued
  - B Been applied for but not issued
  - C Not been paid-up
  - D Been issued but have not been paid-up
-

20 Which of the following best describes an invoice?

- A Contractual agreement for the sale of goods
  - B Document specifying quantity, description, prices and total value of purchase .
  - C Receipt containing necessary information about the goods.
  - D Letter specifying the contractual sales of goods between two parties
- 

## EduNgr.com JAMB Past Questions

21 A direct service is rendered by

- A State counsels
- B Civil servants

**C** Police

**D** Family doctor

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**22** The business organization established mainly for the purpose of carrying out specific assignment for a specific duration is a

**A** Partnership

**B** Company

**C** Joint venture

**D** Co-operative society

---

**23** Second-tier securities market differs from the first-tier securities market in that the former is

- A** highly restricted
  - B** Regulated by SEC
  - C** Regulated by NIPC
  - D** less restricted.
- 

**24** Inbound tourism occurs when

- A** non-resident s of a country travel within it.
  - B** non- resident of a country travel to other countries
  - C** resident of a country travel within it
  - D** Residents of a country travel to other countries.
- 

**25** A machine which enables sales without the physical presence of sales attendant is a

- A** Telex Machine

- B** Fax Machine
  - C** Vending Machine
  - D** Computer machine
- 

## **EduNgr.com JAMB Past Questions**

- 26** In a typical manufacturing enterprises, the line function is performed by the
- A** Public relations department
  - B** Marketing Department
  - C** Estate or Properties Department
  - D** legal Department.
- 

- 27** The body regulating the sale and purchase of shares in Nigeria is the

- A** Corporate affair commission
  - B** Securities and exchange commission
  - C** Securities and exchange tribunal
  - D** Nigerian stock exchange
- 

**28** A memorandum of association is applicable to a

- A** partnership
- B** sole trader
- C** joint stock company
- D** public corporation

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29 An agent who takes title to goods and has authority to buy and sell on behalf of another is

- A A jobber
  - B A broker
  - C A factor
  - D An auctioneer
- 

30 Resource committees into the production of relatively few commodities is known as

- A Production
  - B Specialization
  - C Creation manufacturing
  - D Manufacturing
-

31 The measure of independence available to the individual business units that come together is the main difference between

- A vertical and horizontal integration
  - B Mergers and Acquisition
  - C Consortium and imagination
  - D Trust and Cartel
- 

32 In the permanent storage device, DASD means

- A Data Access Systems Device
- B Direct Access Systems Device
- C Data Access Storage Device
- D Direct Access Storage Device

33 The development of commercial activities in Nigeria was harnessed by

- A A good storage system
  - B Availability of market
  - C Increase in production
  - D Activities
- 

34 The forum for the selling and buying of securities of small and medium companies is called.

- A Securities and Exchange Commission
  - B Second tier Security Market
  - C Foreign exchange Market
  - D Second tier foreign Exchange market
-

35 The external environmental factors that affect a business cooperation are

- A Economic, Social and legal
- B Political, Culture and Labour
- C Competition, Labour and Political
- D Competition, Industry and Product.

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## EduNgr.com JAMB Past Questions

36 The difference between a private and public limited liability company is that the former

- A Is unable to declare and pay dividend.

- B** Has a higher number of share holder
  - C** Is unable to offer shares to the public.
  - D** pays higher salaries to its member
- 

**37** A type of long-term loan granted to companies with fixed interest rate as well as with redeemable and irredeemable features is referred to as projects.

- A** debenture
  - B** a bond
  - C** a term loan
  - D** an overdraft
- 

**38** The circulating capital of a business enterprise is classified into

- A** Cash, work-in-progress and debtors

- B** Cash, Vehicles, land and building
  - C** debtors, stocks of raw materials and fitting
  - D** Prepayments, debtors and equipment
- 

**39** Use the information below to answer this question.

Mammy Plc, whose nominal capital is made up of 5,000,000 ordinary shares at 50K each, decide to offer 80% of it to the public and realized only 50% of the amount due.

what is the company authorized share authorized share capital?

- A** N4,000,000
  - B** N5,000,000
  - C** N7,500,000
  - D** N2,500,000
-

40 A bond which attracts interest but leaves the capital repaid is referred to as

- A A redeemable bond
  - B An irredeemable bond
  - C A development bond
  - D A long-term loan
- 

## EduNgr.com JAMB Past Questions

41 The document issued to a port authority when a good are deposited is a

- A dock warrant
- B Dock landing account
- C Ball of sight

**42** The business environment that takes into cognizance the age distribution ethnic mix and educational level of the consumer is

- A** Natural Environment
- B** Cultural environment
- C** Economic environment
- D** Demographic Environment

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**43** The term 4 net 7 on an invoice means that

- A** 4% surcharge will be made unless payment is made within seven days

- B** 4% discount will be allowed on the price charged only if the good are bought within seven days
  - C** 4% discount will be allowed on the price charge if payment is made after seven days
  - D** 4% discount will be allowed on the price charged if payment is made price charged if payment is made price charged if payment is made within seven days.
- 

**44** Musa obtains wool from his sheep, spins and transform it into cloth which he sells to consumers, this is a form of

- A** Vertical integration
  - B** Horizontal integration
  - C** Forward Integration
  - D** Background integration
-

45 The principle of subrogation stated that

- A An insured person should be indemnified to the time of the amount insured
  - B An insurance company constant in lace of the insured in dealing with third party.
  - C Only a person who is likely to suffer loss hold take out an insurance cover
  - D There must be accuse connection between the actual loss suffered and risk insure
- 

## EduNgr.com JAMB Past Questions

	Opening stock	1800
	Purchases	2800
46	Sales	800
	Closing stock	800
	Carriage on sale	500

Calculate the value of the unused stock

**A** N320

**B** N350

**C** N500

**D** N800

---

**47** Given

Opening stock	50,000
Purchases	200,000
Sales	350,000
Closing stock	80,000

What is the cost of good sold?

**A** N200,000

**B** N190,000

**C** N170,000

**D** N175,000

---

<i>N</i>	<i>N</i>
Capital 8000	Plant and machinery 5000
Net profit 4000	Motor Van 4500
Drawings 200	Stock 2000
Creditors 2000	Debtors 1000
Accruals 300	Banks 100
	Cash 600
14100	14100

What is the current ratio?

- A** 4 : 1
  - B** 5 : 1
  - C** 3 : 1
  - D** 2 : 1
-

Name	Insure amount	Actual value	Actual loss
Mr A	30,000	100,000	40,000
Mr B	40,000	120,000	50,000
Mr C	50,000	15,000	70,000

If Mr A takes a fire insurance policy with average clause, his compensation will be

- A** N15,000
- B** N20,000
- C** N12,000
- D** N25,000

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**Answers: JAMB Past  
Questions: JAMB » Commerce**

**1. D**

ocean liners are vessels that operate on specific on high seas and oceans and they operate on fixed time schedule

**2. C**

the health centre the company built is a social amenity and in doing so it is fulfilling parts of its social responsibility to the most community in which it is doing business.

**3. B**

is correct the headquarters of the world tourism organization is located in Madrid, Spain

**4. B**

it is an order by the customer requesting the bank to transfer certain amount from the customer's account to another bank account, so it is a standing order.

**5. B**

## 6. A

Protection it is not meant to increase our materials wealth but to make our lives worth living

## 7. A

what the firm consider first and most is the cost of production i.e. the cost of producing the product as this determines the price at which the product will be sold.

## 8. C

the type and structure of the property will determine the value of the property since the value of the property will have to be considered by the insurance company before the contract will be entered into by both parties.

## 9. C

the standard organization of Nigeria is the organization saddled with the responsibility of ensuring that goods or products conform to government quality specification

## 10. C

privatization of government owned companies will bring about increase in prices of goods and services and this situation will definitely not make the citizens to be happy with the issue of privatization and as such they will be against it.

---

### 11. A

The primary market provide avenue where companies and organization can issue new securities in order to raise fund.

### 12. A

Division of labour ensure that there more hands involved in the production of a particular, commodity

### 13. A

mainframe computer is the largest compute which his all the features stated above.

### 14. A

the devices involved in the internet are electronic devices, the internet is used for sending electronic message.

## 15. B

warranties is any stipulation which is not of such importance as to go to the root of the contract. The breach of warranties gives the other party a right to claim for damage but not to reject the contract.

## 16. A

through communication the producer interacts with the consumer through advertising.

## 17. B

marketing concept is aimed at ensuring the satisfaction of the consumer i.e. the buyer or consumer is the focal point in marketing

## 18. D

Are open indent allows the importer to purchase goods from any supplier since the of the producer is not specified

## 19. A

not of the 100 million shares, 50 million has issued and fully paid, this means that the remaining part of the shares has not been issued.

## 20. B

an invoice is a document sent by the seller to the buyer showing the full details of goods sold such as quantity, description, price, discount and the total amount to be paid.

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## 21. D

Option D is the correct answer because a family doctor is rendering a private service to the family and paid for by the family. Options A, B and C are not correct because the service they rendered is paid for by the government from taxes paid by member of the public

## 22. C

Option C is the correct because joint ventures are established in order to accomplish a specific purpose after the ventures cease to operate once the purpose is accomplished.

## 23. A

of the strongest condition attached to the quoting of shares of companies under the first-tier securities

market is very strict.

**24. C**

it involves the movement of tourist within their country of residence tourist resident in Nigeria for instance travelling within.

**25. C**

the vending machine is a retails machine that release the product to the tune of the amount of money slotted into the machine and the product indicated by the consumer.

**26. B**

the marketing department does public relations i.e the public relations department is part of the marketing department

**27. B**

the securities and exchange commission is the regulatory apex organization of the Nigerian capital market.

**28. C**

it is joint stock Company that prepare memorandum of association during the course of registering the company it is also known as Limited Liability Company.

### 29. A

As a jobber takes title to the goods and has authority to buy and sell on behalf of another

### 30. B

Specialization is the act of concentrating resources and efforts into the production of relatively few commodities by an individual, firm or a country

---

### 31. B

in merger and acquisition the firms coming together are independent of one another as is not correct because they are types of merge.

### 32. C

Option C is the correct answer because it is a magnetic storage unit, in which the access mechanism and storage medium can be positioned

directly at the addresses sought to read or write specific data items.

### 33. A

Is good storage system makes it possible for goods produced ahead of time to be stored until they are needed.

### 34. B

it is a market for buying and selling shares of small and medium scale companies,

### 35. A

these elements affect the operation of business eternally factor which can affect the operations of the business.

### 36. C

the former does allow members of the public to subscribe to its shares.

### 37. A

it is a debenture that is grow under a seal by company in acknowledgement of a debit undertaking to repay the stated amount or sum on or before a certain date

and to pay a fixed rate of interest. There are redeemable and irredeemable debenture

### 38. A

circulating capital is the amount of money used for day-to-day running of the business. It is the capital available to a firm for general purpose after current liabilities have been deducted. It is the excess of current assets over the current liabilities

### 39. D

From the calculation made we arrived at the answer and using the formula.

Nominal capital is the same as authorized x capital

The price per share is 50K

∴ Authorized share capital

$$= \text{N}5000000 \times 0.50\text{K}$$

$$= \text{N}2,500,000$$

### 40. B

the bond is per petrol, which is until death. The issuing authority or entity pays a specific interest rate periodically but provides no data on when the principal will be returned.

---

#### 41. A

It is a document that shows that the goods are stored in the warehouse and it entitles the holder to take possession of the goods.

#### 42. D

demographic environment that put into consideration the composition of the population of the consumers, it determines the quantity of goods to be produced.

#### 43. D

the discount is allowed to encourage seller prompt payment for the goods bought by the buyer.

#### 44. A

this integration involves the coming of two or more firms at different production stage in the same industry. The production of wool is one stage in the

production of cloths while spinning and transformation of the wool into clothes is another stage in the production of clothes

**45. B**

The option is in line with the principle of subrogation

**46. D**

Closing stock for the year of an accounting period is also regarded as unused stock.

**47. C**

The cost of goods sold is calculated through the formula below

opening stock + purchases – closing stock.

If we go by the formula above it is

$N50,000 + N 200,000 - N80,000$  which is equal to  $N170,000$ .

**48. D**

**49. C**

Since the policy is with average clause the formula used in calculating his compensation is

$$\frac{\text{Amount insured} \times \text{total actual loss}}{\text{Total actual value of property}}$$

By this formula the compensation will be

$$\text{Amount insured} = \text{N}30,000$$

$$\text{Amount loss} = \text{N}40,000$$

$$\text{Actual Value} = \text{N}100,000$$

$$= \frac{30,000 \times 40,000}{100,000}$$

$$= \frac{1200000000}{100,000} = 12,000$$

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