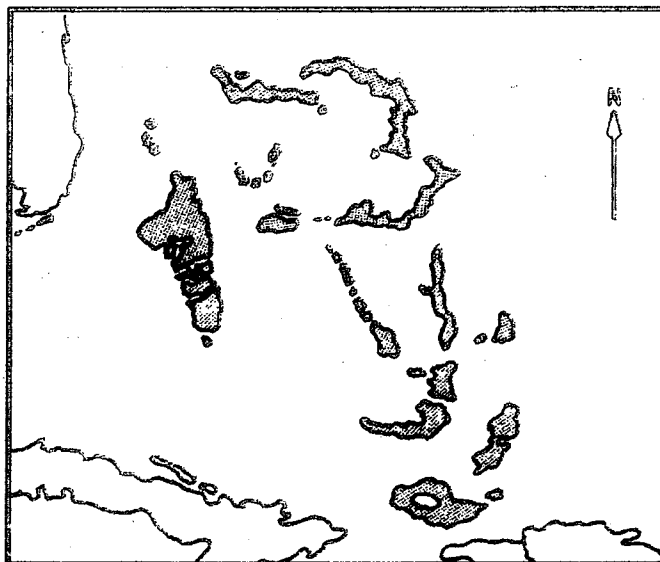




The Commonwealth of The Bahamas



Bahamas General Certificate of Secondary Education

COMMERCE

Reprinted 2005

MINISTRY OF EDUCATION

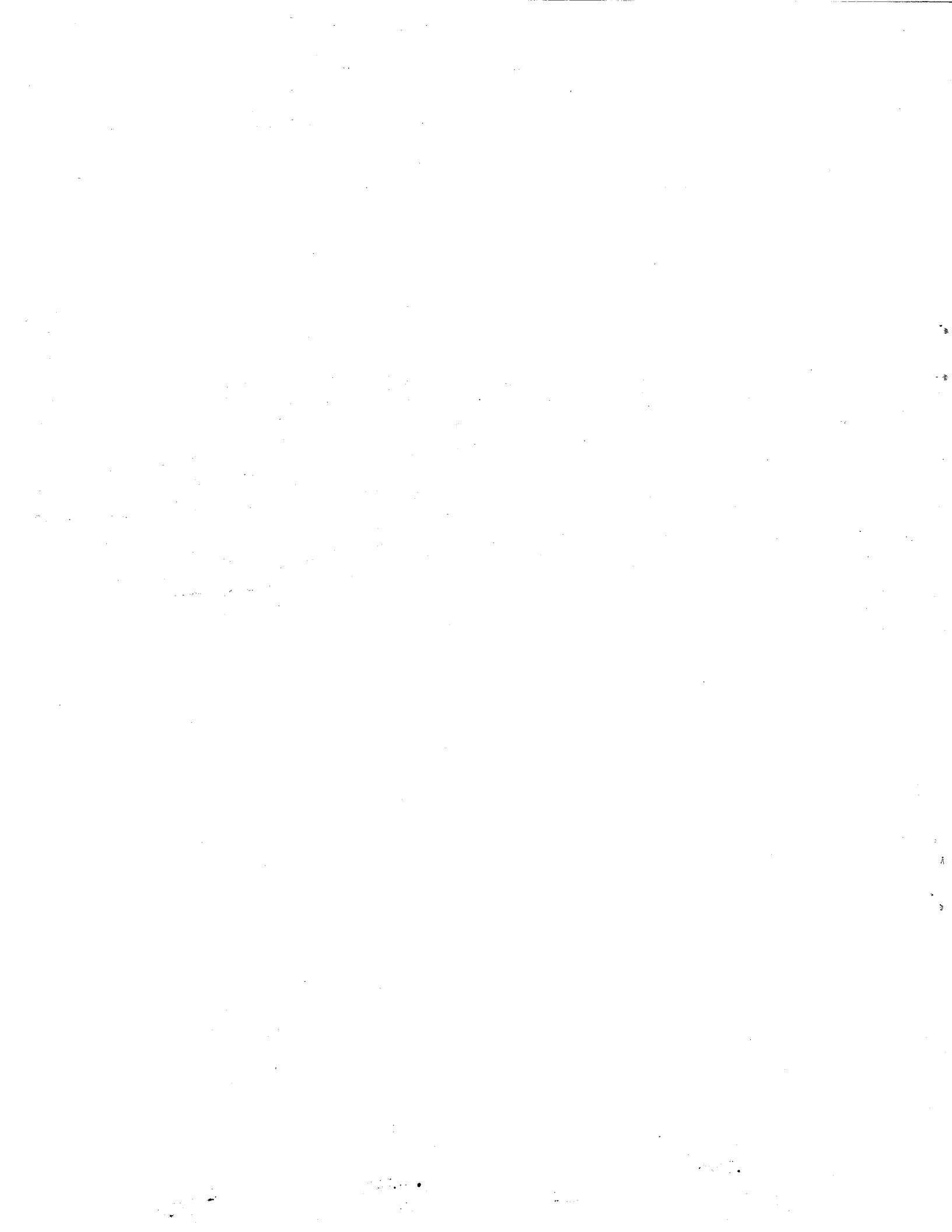


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AIMS

1. To develop knowledge and understanding of business and its environment both in general terms and relation to those rules and inter-relationships related to commercial and economic activities locally, nationally and internationally.
2. To develop skills, knowledge and understanding as responsible citizens by adjustment to society and to provide a foundation for further study.
3. To develop knowledge and understanding of cooperation and interdependence in society and interaction between Family Islands.
4. To develop an appreciation for the Bahamian Enterprise system within which commercial activities takes place.
5. To further knowledge and understanding of the roles and functions of important commercial activities and institutions in both public and private activity.
6. To develop knowledge and understanding of how the main types of commercial institutions are organized, financed and operated.
7. To promote knowledge and appreciation of the working world through on-the-job training programmes. To encourage confidence, awareness and participation, particularly through group activity within the classroom which is relevant for the community.
8. To develop knowledge and understanding of the language, concepts and decision making procedures in commercial behavior appropriate to this course.
9. To develop skills of economic literacy, numeracy, enquiry, presentation, interpretation and sound decision making skills.
10. To develop awareness of the nature and significance of innovation and change within the context of commercial activities

ASSESSMENT OBJECTIVES

Candidates should be able to:

KNOWLEDGE

1. demonstrate knowledge of facts and terms relevant to the Syllabus;
2. demonstrate knowledge of basic principles, techniques and ideas;

COMPREHENSION

3. demonstrate understanding through skills of numeracy literacy, inquiry, presentation and interpretation;

APPLICATION

4. recognize, select and organize information in verbal, numerical and diagrammatic forms;
5. use and explain appropriate terminology;
6. apply knowledge and information to situations and problems related to the syllabus;

EVALUATION

7. identify and evaluate significant commercial situations and issues;
8. distinguish between evidence and opinion, make reasoned judgments and communicate them effectively.

SCHEME OF ASSESSMENT

These grids show the relationship between the components of the examinations and the Assessment Objectives.

BASIC SCHEME GRADES C, D, E, F, G

| | PAPER 1 | ASSIGNMENT | TOTAL |
|---------------|---------|------------|-------|
| Knowledge | 30 | 5 | 35 |
| Comprehension | 20 | 5 | 25 |
| Application | 15 | 10 | 25 |
| Evaluation | 5 | 10 | 15 |
| TOTALS | 70 | 30 | 100 |

EXTENDED SCHEME GRADES A, B

| | PAPER 2 | ASSIGNMENT | TOTAL |
|---------------|---------|------------|-------|
| Knowledge | 15 | 5 | 20 |
| Comprehension | 25 | 5 | 30 |
| Application | 20 | 10 | 30 |
| Evaluation | 10 | 10 | 20 |
| TOTALS | 70 | 30 | 100 |

SCHEME OF ASSESSMENT

All candidates will be entered for the Basic Scheme, the components of which are:

BASIC SCHEME

| COMPONENTS | DURATION | WEIGHTING |
|------------|----------|-----------|
| Paper 1 | 2 hours | 70% |
| Assignment | - | 30% |

Only candidates who in the teacher's judgment are likely to enter for the Extended Scheme, which will involve taking an additional paper. The written assignments will be those already completed for the Basic Scheme.

EXTENDED SCHEME

| COMPONENTS | DURATION | WEIGHTING |
|------------|-------------|-----------|
| Paper 2 | 2 1/2 hours | 70% |
| Assignment | - | 30% |

1. Candidates who take the Basic Scheme will be awarded the grade obtained on that scheme.
2. Candidates who take the Extended Scheme will be awarded the grade obtained, provided:
 - they obtain Grade C on Paper 1
 - they obtain Grade A or B on the Extended Scheme (Paper 2)

The work of candidates falling just below the C boundary on Paper 1 will be reviewed for evidence to support the award of a Grade A or B on the Extended Scheme.

3. Candidates who do not obtain a Grade A or B on the Extended Scheme or whose work does not support the award of the higher grade will be awarded the grade obtained on the Basic Scheme.
4. Poor performance on the Extended Scheme cannot result in a lower award than that available to the candidate on the Basic Scheme.

DIFFERENTIATION

This is a unified scheme of assessment which allows differentiation across the full ability range. All candidates must follow the Basic Scheme and candidates seeking Grade B and above have the option of a second written paper designed to test performance at a higher level. All candidates must submit one written assignment which has been designed to suit individual potential.

PAPER 1 consists of 22 objective type and 5 structured questions. All questions must be answered.

PAPER 2 consists of 4 structured questions. All questions must be answered.

WRITTEN ASSIGNMENT

1. Candidates must submit one written assignment (1,000 to 2,000 words) during the final year of study on a suggested topic or other appropriate topic. The assignment should be related to a business situation or problem and should allow for individual research outside the classroom.
2. Proposed title(s) must be submitted together with an outline of the work to be undertaken to the appointed teachers in the schools by _____ before work is undertaken.
3. The report can be typed or written on standard size paper with one inch margin on all sides and placed in folders. The cover must be clearly marked with the candidate's name and number and the name of the Centre through which the candidate is entered.
4. Reports must include the approved title and outline of work, a table of contents, a bibliography, a diary and a log of activities or visits if appropriate. Candidates will be given credit for tables of statistics, diagrams, graphs, illustrations, photography, maps, etc., provided they are related to the study and clearly support some part of the work. Questions must be indicated clearly and sources stated.
5. Assignments should reach the Ministry of Education no later than _____.
6. The assignment must be submitted in accordance with the Ministry of Education Rules and Regulations pertaining to the written assignment.

THE TEACHERS' ROLE

Teachers are expected to give candidates guidance in planning and execution of their assignment so as to ensure that:

1. Each assignment is drawn from and related to the course so that knowledge and subject-specific skills, gained in class can be used in the assignment.
2. The title of, and attitude to the assignment is likely to lead to investigation, analysis, evaluation and decision opportunities. (Mere description is to be avoided.)
3. The assignment is related to an appropriate situation outside the classroom. It need not be confined to a single business or organization, but may be related to a more general situation.
4. The task is likely to be within the abilities of the candidate.
5. The student is aware of the method of assessment and is also aware that the task is likely to give opportunity for all assessment objectives to be met.
6. That the student has a clear aim and a method of approach which is likely to lead to achievement of the aim.
7. The task can be completed within the time and the number of words available.
8. It can be accurately marked using the assessment criteria.
9. The organizations with which the student will have contact are likely to provide or give access to the information needed to complete the assignment.
10. That the student does not spent an unreasonable amount of time on the work or produce something which is substantially greater than is required.
11. Except in as far as the student works with others on group projects, and acquires information collectively, it is the unaided work of the candidate.

ASSESSMENT OF WRITTEN ASSIGNMENTS

Candidates' responses and levels of achievement will be assessed as a whole. Emphasis will be placed on presentation and collection of data on the topic. Candidates whose work is little more than a scrap book or long extracts from reference books or other sources, without comment, analysis or interpretation will be given little credit.

The assignments will be marked by assigned teachers and this must provide a reliable order of merit with a spread of marks which adequately differentiates between the attainment of candidates.

Teachers are advised to mark individual assignment out of 60 and then divide by 2 to get the correct weighting of 30.

| | | MARKS |
|----------------------|--|--------------|
| AIM: | - has been set, followed through and used in analysis | 1 - 10 |
| INFORMATION: | - is appropriate, accurate and as precise as is needed. | 1 - 5 |
| ACCURACY: | - information is used correctly; technique applied or used correctly; vocabulary and concepts used correctly; calculations accurate. | 1 - 10 |
| LOGIC: | - effective use of argument, concept, facts, assumptions are reasonable | 1 - 5 |
| ANALYSIS: | - evidence organized; classified or otherwise directed toward the task. | 1 - 10 |
| EVALUATION: | - judgments are supported by reasons, by evidence. Opinions are expressed and supported | 1 - 5 |
| DECISION: | - decision is made, in line with arguments, in line with aims | 1 - 5 |
| PRESENTATION: | - layout, readability, explanation of diagrams, etc., choice of methods or presenting data | 1 - 10 |

The weighting of the project within both the Basic and Extended Scheme is 30%, so marks awarded must be reduced to this.

Written assignments must be submitted in accordance with the Ministry's general coursework regulations which are published separately.

SUPERVISION/MODERATION

The marking of written assignments will be subject to moderation in accordance with procedures laid down by the Ministry. If there is more than one teacher involved in the marking at a single school, it is the responsibility of the school to ensure the standardization of the work so that all the assignments have been marked to a common standard and can be moderated as a single set.

External moderation will be undertaken by means of inspection of samples of candidates' work. The moderator will notify school as to the samples of work required for inspection. All candidates work must be retained at the school and made available if required by the Ministry of Education moderators.

EXAMPLE

In an assignment to decide how a firm might obtain the capital for a project a student will learn that documentation is important, that risks are carefully measured, that bank managers and other lenders, though interested in and needing the figures, are just as interested in the people involved and the way they are going to inter-act. They also learn that decisions are never taken in isolation from other decisions or from the involvement and reaction of others.

6. - Ability to structure an argument. This skill is also assessed in ordinary examinations but in coursework there is much greater freedom and time to collect and understand data, to marshal the arguments, to seek support for them, to have second thought. Equally important is the opportunity and the preparedness to test class and book based theories and ideas against the reality of a particular position.

EXAMPLE

The student who undertook an investigation into the best location for a new business, found and presented all the classical factors which are said to influence location, made a decision as to which were most important for the business. Then the student discovered that for this business owner, maximizing profits did not matter nor did best location for market. Instead, the deciding factors were proximity to a local school where young children of the family were being educated and the general social preferences of owner. Suddenly the basis of the argument had changed and purely business logic wasn't going to solve the problem.

7. - Ability to carry out a task over time. Many projects will require organization and the planning or checking of things over a period of time. This is a skill which is quite impossible to test under ordinary examination conditions.

EXAMPLE

An example is best given by reference to titles which will require the demonstration of such skills in order to do them well:

The monitoring of a set of prices over time and an explanation of any changes which are observed. Such prices might be:

- A typical basket of commodities such as might be bought each week.
 - Holiday/Hotel prices.
 - Foreign Exchange.
 - A portfolio of stocks.
8. - Learning. Again quite impossible to assess this in examination conditions. Often the circumstances of an assignment will change over time, or the circumstances will be different from what the student supposed. Sometimes objectives have to be changed, sometimes alternative solutions to problems which looked possible are not when the facts of the situation are assessed further. Sometimes the business with which the student is working will not or cannot give the information necessary. In all these circumstances and many others, understanding increases, students demonstrate flexibility of thinking, ability to adapt, ability to re-plan. All schemes of assessment should be able to measure the extent to which the student has learned from experience in this way. It follows that students must be encouraged to explain when they change course, to express their realization of changed circumstances and justify a different course of action.

EXAMPLE

A student sets out to find out if a small business which is not doing very well can be made more profitable. All goes well in obtaining information about the ways in which income may be increased but when the time comes the firm will not give any of its cost information and now the question cannot be answered. The student then can switch to a question about "Turnover".

SUBJECT CONTENT

1. THE INDIVIDUAL AND THE ECONOMY

- 1.1 Human wants classification and how they are satisfied by industrial - commercial and service activities.
- 1.2 Definition and branches of production; classification of occupations. Primary, secondary, tertiary.
- 1.3 The divisions of commerce.
- 1.4 Specialization, interdependence and exchange; advantages/disadvantages of specialization.
- 1.5 The factors of production: land, labour, capital, entrepreneur.
- 1.6 The chain of production and value added at each stage.
- 1.7 Nature of the economy: planned, mixed, market.

2. DISTRIBUTION (or Trade)

- 2.1 The consumer and the chain of distribution.

A. General:

- 2.2 Patterns of distribution from the extractive industry through to the final consumer.
- 2.3 The functions and types of markets, marketing of agriculture, raw materials, manufactured, imported and exported goods.
- 2.4 Producer's cooperatives.

B. Wholesaling:

- 2.5 Functions of wholesaling; types of wholesalers.
- 2.6 Services to the retailer and manufacturer.
- 2.7 Trends in wholesaling.
- 2.8 Reasons for omission of wholesaling in distribution.
- 2.9 Exchanges and work/commodity markets.

- 2.10 The functions of different types of warehouses in home and foreign trade.
- 2.11 The organization of a wholesale warehouse.
- 2.12 The main trading documents used: order form, invoice, etc.

C. **Retailing**

- 2.13 Retail functions, services of the retailer.
- 2.14 Types of retail outlet.
- 2.15 The changing aspects of retailing: franchising, direct selling, etc.
- 2.16 Advantages and disadvantages of large-scale retailing.
- 2.17 The distribution decision. The factors which are important: discussing distribution decisions in given situations.

3. **TRANSPORT/COMMUNICATION**

A. **Transport**

- 3.1 The importance of transportation as an aid to industry and commerce.
- 3.2 The different methods of transport for people and freight.
- 3.3 The importance of sea and air transport to the Bahamas.
- 3.4 Factors influencing choice of transport.
- 3.5 Making decisions about transport choices in given situations.

B. **Communications**

- 3.6 The importance of and main methods of communication:- postal/telecommunications telex, bureau, datapost (speed mail, pic pax etc), prepaid postage, confravision, (via satellite), facsimile.
- 3.7 The Bahamas Post Office and its functions.
- 3.8 Bahamas Telecommunications Corporation and its functions.
- 3.9 Other information transmission organizations.

- 3.10 Recent developments.
- 3.11 Candidates should be familiar with all commonly used developments.

4. **MARKETING**

- 4.1 The functions and purposes of marketing.
- 4.2 The main elements of a marketing strategy: research; product features; distribution; promotion; price.
- 4.3 Market research: importance, methods.
- 4.4 Product: importance of design, packaging, sizes support.
- 4.5 Price: pricing strategies, mark up.
- 4.6 Decisions about marketing strategy for given products.

B. Promotion and Sales

- 4.7 The functions and purposes of promotion: distribution between advertising and promotion at point of sale.
- 4.8 Methods of advertising.
- 4.9 The different media employed and the reasons for their use.
- 4.10 Trade names, branding packaging, display.
- 4.11 Point of sale promotion methods and selling techniques.
- 4.12 Consumer protection: organization and legislation protecting consumers from deceptive advertising.
- 4.13 Decisions about advertising/promotion strategies in given situations.

5. **MONEY AND BANKING**

- 5.1 Definition of money.
- 5.2 Functions and characteristics of money.
- 5.3 Methods of payment: legal tender/non-legal tender.
- 5.4 Commercial banks and other financial institutions

motivations money transfer, deposit taking, financing and other services.

- 5.5 Services of commercial banks to individual and business.
- 5.6 Opening and operating a current account; practical application in cheque writing.
- 5.7 The clearing system. How cheques are cleared.
- 5.8 Source and types of credit facilities available to consumers.
- 5.9 The role of The Central Bank.
- 5.10 The influence of technology on the transfer of money locally and internationally.

6. INSURANCE

- 6.1 The purpose of insurance.
- 6.2 Insurance as it relates to the pooling of risks.
- 6.3 Statistical basis: insurable and non-insurable risks.
- 6.4 Principles of insurance.
- 6.5 Types of insurance.
- 6.6 Procedures for affecting insurance, renewing insurance and for making claims.
- 6.7 The main insurance documents e.g.: proposal form, covernote, certificate, policy, claim form.
- 6.8 The purpose of insurance premiums. How calculated, factors influencing their level.
- 6.9 The purpose and importance of National Insurance in the Bahamas.
- 6.10 Changing trends in insurance. The proposed National Health Insurance Scheme.

7. OVERSEAS/INTERNATIONAL TRADE

- 7.1 The nature of international trade: advantages/disadvantages.

- 7.2 Why international trade is important to the Bahamas.
- 7.3 International specialization.
- 7.4 Types of intermediary functions and services.
- 7.5 Main trading documents in international trade e.g. Bill of Lading, Airway Bill, etc.
- 7.6 The role of customs authorities in international trade; customs duties, excise duties, tariffs, quotas, import controls, export controls.
- 7.7 The balance of trade: indicate main items in the Bahamas balance of trade.
- 7.8 The balance of payments on current account: indicate main items in the Bahamas current balance.
- 7.9 Foreign exchange market: exchange rates.
- 7.10 Multinational companies, cartels, conglomerates.

8. THE ORGANIZATION OF BUSINESS UNITS

- 8.1 The distinctions between business units in the private and public sector.
- 8.2 Formation; ownership and control; raising of capital; treatment of profits and losses in relation to:

A. The Private Sector

- 8.3 Unincorporated: sole traders; partnerships
incorporated: private limited and public limited
companies; cooperative societies (producers and consumers);

B. The Public Sector (Government)

Public corporations; local authorities (proposed).

- 8.4 How to obtain capital: money market and capital market.
- 8.5 Institutions in the capital market.
- 8.6 Functions and procedures of stock exchanges.
- 8.7 Solution of simple problems involving sources of capital and capital acquisition decisions.

9. TRADING PROCEDURES

- 9.1 The process involved in obtaining goods from home and overseas supplies.
- 9.2 Documents involved in home trade from initial inquiry to final settlement.
- 9.3 Types of credit and methods of payments.
- 9.4 Assistance to exporters from banks, government departments and other sources.
- 9.5 Main methods of payments for international transactions, e.g. bills of exchange, draft, etc.
- 9.6 Methods of reducing sundry debtors: factoring, discounting, cash discounts.
- 9.7 Calculations: invoices and statements, discounts, turnover, margins, mark up, sale prices.

10 PRIVATE SAVINGS

- 10.1 Motives for saving.
- 10.2 Methods of saving: savings account, endowment assurance, real estate, stocks and bonds.
- 10.3 Institutions involved: commercial banks, post office savings bank, savings and loans associations, credit unions.
- 10.4 Use of investors' money.
- 10.5 Returns on saving.
- 10.6 Discuss savings.

11. THE ROLE OF THE GOVERNMENT

- 11.1 The need for government intervention.
- 11.2 The provision of goods and services and their effects on commercial activity.
- 11.3 The main sources of revenue and main area of expenditure of the government.
- 11.4 Government services to and for business:

- a] Information services: Trade and Industry, the Department of Cooperative Development, Publications of the Department of Statistics.
- b] Sets up coordinating bodies training provided by National Training Council (NTC), Hotel Training, Arbitration Service/Labour Board.
- c] Direct financial help: The role of the Bahamas Development Bank, Bahamas Mortgage.

11.5 Government business: public services, health services: subsidized services, B.E.C., C.O.B.; Public Corporations: Batelco: Hotel Corporations.

12. TRADE UNIONS

12.1 History of the Trade Union Movement.

12.2 Role of the unions in Bahamian economic development.

ALTERNATIVE TEXTBOOKS

1. Derek Loblely: Success in Commerce,
3rd Edition, 1988
John Murray Publishers
London
2. Geoffrey Whitehead: Commerce Made Simple,
1986 Edition,
Heineman London
3. Alan Whitcomb: Comprehensive Commerce,
3rd Edition, 1987
Nelson & Sons Ltd.
4. David Dryer &
Ian Chambers: Business Studies,
1988 Edition
Longman Publishers

RECOMMENDED REFERENCES/RESOURCES

1. Tika N. Sharma - Business Practice in the Bahamas:
"A Book of Reading"
1987 Edition
Publishers: Bahamas Government
Printers
2. Eve Poitier - Readings in Banking and Finance
1989 Edition
Publishers: Bahamas Government
Printers
3. Stephen Banks &
Lynne Croff - Assignments in Business Studies
1989 Edition
Publishers: Thomas Nelson & Sons
4. Colin Parsons &
John Cain - Investigating Business
1989
Publishers: Longman Group Ltd.
5. The Bahamas Handbook and Business Guide
Current Date, 1989
Depuch Publishing
6. Teachers Research Projects
7. Department of Statistics Monthly and Annual Publications

8. Chambers of Commerce Publications
9. Price Waterhouse Publications
10. The Central Bank Quarterly Reports
11. Current Articles and Newspapers

APPENDIX A
POSSIBLE TOPICS
FOR
COMMERCE WRITTEN ASSIGNMENTS

The following topics are offered to indicate the kind of study required and the range of subjects on which they may be based. Students may choose their own topic aided by the teacher and do not have to select from this list.

1. What kind of Insurance coverage does a T.V. business need and why?
2. What moneys are uninsurable and why?
3. How does a food supplying business 'X' deal with potential problems of theft or fire?
4. What does a Firm 'X' make of:
 - a] Transport facilities
 - b] Communication
 - c] Bankruptcy
 - d] Postal facilities
5. Make some suggestions for improvement in the way a diary firm 'X' distributes its goods.
6. How does (any petty shop or market store known to you) compete with large retail outlets?
7. How could the transport network of a Jitney Service 'X' be improved?
8. Investigate the need for any new business in your community.
9. Choose a commodity you buy regularly which could be bought in several places. Investigate the buying possibilities, decide where you would buy it from and explain why.
10. Why does the price of interest rates fluctuate?
11. Explain the price of elasticity of demand for product 'X' and verify your findings.
12. Suppose you have \$50,000 to invest. Examine the

opportunities available. Decide how you would invest and the reasons for your decisions.

13. You have \$50,000 to invest. Choose a portfolio at today's share prices. Monitor your portfolio over six (6) months and at one (1) year. Explain the changes. Make reinvestment decisions if you think it wise.
14. If you were able to save \$20 per week and did not expect to use your earnings for five (5) years, what account (of all those available) would you open? Compare your earnings after five (5) years at five percent (5%). Then justify your choice.
15. What would be the effect on a whole business 'X' if there is a large decrease in demand for its major product?