



EXAMINATIONS COUNCIL OF ZAMBIA

JUNIOR SECONDARY SCHOOL LEAVING EXAMINATION (GRADE 9) – 2015

Business Studies 609/1

(INTERNAL & EXTERNAL CANDIDATES)

Time: 2 hours 30 minutes

Marks: 100

Instructions to candidates

- 1 There are three (3) sections in this paper, Sections A, B and C.
- 2 Answer all the questions.
- 3 All answers for this examination must be written in the Answer Booklet provided.
- 4 **Section A:** Four suggested answers are given A B C and D. choose the best one and show it in the space provided by marking on it with a cross (X)

For example if the answer is D

A	B	C	D
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Section B and C: Write the answers in the Answer Booklet provided.

- 5 You are given ten (10) minutes to: Write your name, candidate number, school/centre name and code on the Answer Booklet and read through the paper.
- 6 Do not start writing until you are told to do so.

Information for Candidates

Non programmable calculators may be used.

Cell phones are not allowed in the examination room.

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO.

SECTION A

Answer all the questions in this section in the Answer Booklet provided by putting a cross (x) on the letter you have chosen as your answer.

- 1** Which one of the following is **not** an example of an office?
 - A** Virtue office
 - B** Closed office.
 - C** Virtual office
 - D** An open office.
- 2** The filing of documents according to places is known as ...
 - A** Geographical filing.
 - B** Chronological filing.
 - C** Alphabetical filing.
 - D** Subject filing.
- 3** A risk taker who takes advantage of a given opportunity and resource in order to make money is ...
 - A** an entrepreneur.
 - B** a receptionist.
 - C** a Personnel manager.
 - D** a Wages clerk.
- 4** One of the reasons why people engage in business is to...
 - A** pass time.
 - B** prevent crime.
 - C** provide employment opportunities.
 - D** control all people.
- 5** The doubling of an A4 size paper results in an ... size paper.
 - A** A2
 - B** A8
 - C** A3
 - D** A5
- 6** Which one of the following is an example of a barter transaction?
 - (i)** Withdrew cash for private use.
 - (ii)** Exchanged a house for a car worth the same price.
 - (iii)** Deposited cash into bank
 - (iv)** Sold goods on credit to J. Bwale.

- A** (iv).
B (iii).
C (i).
D (ii).
- 7** Which document would be used when the seller wants to inform the buyer that the goods are on the way?
A Advance note.
B Advice note.
C Quotation.
D Statement of Account.
- 8** The ... is used as a source document for the Returns Inwards Journal.
A Original Credit note
B Duplicate invoice
C Original invoice
D Duplicate Credit note.
- 9** The ... is simply a book in which we record the details of our credit customers.
A Sales Journal
B Purchases Journal
C Cash Book
D General Journal
- 10** Electricity Bill Account is an example of ...
A Real account.
B Personal account.
C Nominal account.
D Nominal and Personal Account.
- 11** ... Contains records of Customer's Personal Account.
A General Ledger
B Sales Ledger
C Purchases Ledger
D Nominal Ledger
- 12** The business has its closing capital of K2,240, net loss value of K954 and opening capital of K3,950. How much is the value of drawings?
A K 756
B K3,194.
C K4,904.
D K 695

- 13** Mambwe's housing allowance is 10% of his monthly salary of K7500. He also gets medical allowance of 5% of his monthly salary. Calculate his housing allowance.
- A** K560
 - B** K6 800
 - C** K500
 - D** K750
- 14** Buying of shares in a company is a good example of ...
- A** entrepreneurship.
 - B** budgeting.
 - C** investment.
 - D** expenditure.
- 15** Which banking service allows a bank customer to make a fixed payment on a fixed date?
- A** Credit transfer.
 - B** Standard Order.
 - C** Bank loan.
 - D** Standing Order.
- 16** A postal service which enables the organisation to share the same information to a large audience within or outside the organisation is called ...
- A** a Business Reply Service.
 - B** a Free post.
 - C** an Agency service.
 - D** a Circular.
- 17** What do the letters UFS stand for ?
- A** Under Flying Seal
 - B** Under Flying Squad
 - C** Utterances For Safety
 - D** Under - garment For Sale.
- 18** Mrs Bulaya who is an employee of Kwacha Holdings was to issue payment reminders to all outstanding debtors of a company. Which department does she belong to?
- A** Purchases Department
 - B** Personnel Department
 - C** Maintenance Department
 - D** Accounts Department

- 19** Which of the following is an example of entrepreneurial activities found in the community?
- A** Persistence
 - B** Fishing
 - C** Loyalty
 - D** Stealing
- 20** Which of the following are true about a Savings Account?
- (i)** Cheque book is used when making withdrawals
 - (ii)** A minimum balance is required in order to operate the account.
 - (iii)** Suitable for people earning a low but regular income.
 - (iv)** Overdraft facility is offered.
 - (v)** Automated Teller Machine facility is available.
- A** (i), (ii), (iii) and (v)
 - B** (ii), (iii) and (v)
 - C** (iii) only
 - D** (i), and (iv)

[20 marks]

SECTION B

Answer all the questions in this section. Write your answers in the Answer Booklet in the spaces provided.

- 1** Select the correct answer for the following questions from the list of possible answers given below:

WORD LIST:

Sales Department, Production Department, Accounts Department, Procurement Department, Reliability, Courtesy, Loyalty, Punctuality. [2]

- (a) (i) Which department is in charge of preparing the budgets, forecasts and statistics of the business.
- (ii) The acceptable behaviour in an office that demands that workers should work with minimum supervision and should have proper knowledge of the work they do is ...
- (b) Arrange the following names in alphabetical order. [2]
- (i) Mrs Angela Mwelwa
- (ii) Professor C. K. Maluba
- (iii) Catherine Kangwa
- (iv) Dr Allan Banda
- (c) Use the provided word list to answer the following questions. [2]
- (i) A service that enables members of the public to reply to letters without having to pay for a stamp is ...
- (ii) A call made by the operator to wake up or remind someone of an activity is ...

WORD LIST:

Conference call, Courier service, Alarm call, Data post, Business Reply Service, Philately. [2]

- (d) Classify the following items into **voluntary** or **statutory** deductions.
- (i) Loan repayments
- (ii) Pension contributions
- (iii) Pay As You Earn (PAYE)
- (iv) Club subscriptions [4]

- 2 (a) What type of business transactions are the following?
- (i) The purchase of goods on credit from J. Mweene. [1]
- (ii) A payment for rent by cheque [1]
- (b) Study the document below and answer the questions that follow:

					No. 340 02/03/15
From: Masuba Company Mpulungu					
To: Maambo Mweene Box 320098 Mpulungu					
Please supply the following goods.					
Qty	Ref. no.	Details	Unit Price	Discount	Total Price
50	201	Commerce books	10.00	10%	500
20	205	Business Studies books	5.00		100

- (i) How many books were ordered. [1]
- (ii) Calculate the value of books ordered. [1]
- (iii) If the buyer was given a discount how much is he supposed to pay. [1]
- (c) Match the items in Group **A** with those in Group **B** using the Roman numerals. [3]

Book of Original Entry	Source Document
A	B
(i) Sales Day Book	(i) Original Credit Note
(ii) Purchases Returns Journal	(ii) Cheque Counterfoil
(iii) Cash Book (Bank column)	(iii) Copy invoice

- (d) What does the abbreviation "Chq" stand for [1]
- (e) Classify the following Accounts under the correct heading (Real, Nominal, and Personal Account). [2]
- (i) Mwiinga Investment Company Account.
- (ii) Office Furniture Account.
- (iii) Motor Expenses Account
- (iv) Fixtures and fittings Account

- (f) The following Ledger Account appears in the books of Mwila Kabanda.

MBAZA'S ACCOUNT

DATE	DETAILS	F	DR	CR
2012				
Sept 1	Balance		2500	
Sept 5	Sales			1500
Sept 14	Sales Returns		200	
Sept 20	Bank			350
Sept 30	Balance	c/d		(a)
				(b)
Oct 1	Balance	b/d		

- (i) What was the balance (a) on September 30, 2012? [1]
(ii) In which ledger would Mbaza's Account appear? [1]
(iii) What were the totals (b) on Mbaza's Account? [1]

- 3 (a) Explain the importance of the Certificate of Incorporation to a public limited company. [4]
(b) Match the items in column A with those in column B using Roman numerals. For example (i and iii).

Column A

Column B

- | | |
|--|--------------------------|
| (i) Keeping of finances in the house other than at the bank | (i) Goal setting |
| (ii) Restricting expenditure to what is necessary only | (ii) Traditional methods |
| (iii) An outline of what the business wants to achieve at the end of an activity | (iii) Control measure |
- [3]

- (c) Study the following table and answer the question below;

Item	K
Construction	12,000
Salaries to workers	9,000
Agricultural equipment	5,200
Pension payment	10,900
Government scholarships	7,500
Education materials	6,750
	51 350

- (i) What type of budget is this? [1]
- (ii) Calculate the total amount allocated towards infrastructure development and education. [1]
- (d) Classify the following Financial institutions under the correct heading. [3]

S/N	Financial Institution	Commercial Bank	Central Bank
(i)	Indo Zambia Bank		
(ii)	Bank of Zambia		
(iii)	Finance bank		

- (e) Draw a withdrawal slip and fill in the information given below.

Name of Account holder – Mr Gondwe Sydney

Amount to be withdrawn – K 500

Use the current date

Account number – 02004102

[2]

SECTION C

Answer all questions in this section in the Answer Booklet provided.

1. **Prepare** a Sales Journal for Kasutu Shinka from the invoices on 31st July, 2012

July 2012

- 2 Sold on credit to Gamba the following:

4 cases of milk at K35.00 each

15 crates of soft drinks at K96.00 each

12 pockets of potatoes at K30.00 each

6 boxes of boom at K65.00 per box

8 containers of 5 litres cooking oil at K65.00 each

All were subject to 20% Trade Discount

[10]

- 2 The following information was extracted from the books of Kazawala J.
You are required to prepare a Trial Balance as at 30th September, 2014.

	K
Capital	7 000
Sales	870
Wages	840
Purchases	46
Fixtures	500
Creditors	584
Debtors	95
Motor van	4 000
stationery	225
General expenses	1 400
Rent and rates	350
Heating and Lighting	550
Drawings	504
Stock	140
Returns outwards	500
Returns inwards	304

[10 marks]

- 3 The following balances were taken from the books of Chibwe Nkandu as at 30th June, 2015.

	K
Stock (30.06.14)	550
Stock (30.06.15)	1,110
Motor vehicles	4,500
Debtors	3,500
Insurance	2,500
Sundry expenses	1,100
sales	25,042
Purchases	9,568
furniture	3,790
Stationery expenses	250
rates	180
Cash at bank	950
Cash in hand	1,095
Returns inwards	190
Returns outwards	107
Creditors	1,600
carriage outwards	215
Carriage inwards	184
Drawings	1,835
Capital	3,658

Required

- (a) Prepare Chibwe Nkandu's Trading and Profit and Loss Account for the year ending 30th June, 2015 [11]
- (b) Draw up his Balance Sheet as at 30th June, 2015. [9]