

# PRINCIPAL EXAMINER'S REPORT



BOTSWANA  
EXAMINATIONS  
COUNCIL

## JCE BUSINESS SUBJECTS

**2022**



## General Comments

The Business Subjects assess concepts, conventions, principles, and techniques used in business. Candidates are required to demonstrate their ability to recall, relate facts, apply business knowledge and understanding as well as display business and entrepreneurial skills. Generally, Candidates' performance this year was not satisfactory as the majority were not able to demonstrate the skill of recording and processing business information properly. Centres are advised to ensure that Candidates are equipped with the relevant business skills as per the requirements of the assessment syllabus to enable them to respond well to items.

## COMMERCE AND OFFICE PROCEDURES

### PAPER 1

#### Section A

- (a) Most Candidates did not do well as they defined direct production as the satisfaction of needs and wants. Others gave answers like selling and distribution of goods and services. Few managed to give the correct answer which is the making of goods and provision of services for own use /family consumption.

(b) Most Candidates failed to address the question properly. They defined unit cost as the selling price. They gave answers such as the price of producing goods, total cost of production (start-up cost). Others gave the formula Total Cost/Output instead of the cost of making one product.
- Most Candidates did well as they were able to match factors of production with their rewards. Only a few failed to match labour and capital with their rewards as they swapped them.
- (a) Few Candidates were able to give a correct answer such as when a customer is overcharged. Others gave wrong answers such as customers being undercharged.



- (b) A fair number of Candidates managed to answer this question correctly. They gave correct documents such as the statement of account, delivery note, quotation and invoice. Some gave incorrect answers such as a letter of inquiry and order form. Others wrote two documents of the same purpose such as quotation, catalogue and price list.
4. Most Candidates were able to give correct answers as they gave sole trader and partnership as their answers. Those who got it wrong wrote answers like a limited company, privatisation, sole business and others gave characteristics of business organisation such as being owned by one person and having no continuity.
  5. Most Candidates had no idea about the section which start-up costs are written under and therefore wrote incorrect answers such as fixed cost, expenditure and budget. Few were able to give the correct answer as financial or finance.
  6. Monthly installment was not calculated well by the majority as they added the deposit and interest while they were expected to less deposit and add interest to the original price of P3 500.
  7. Most Candidates had challenges in differentiating between strengths and weaknesses as they gave answers like good factors that contribute to the success of the business, and good things that attract customers. They were expected to describe strengths as positive/favourable internal factors which a business owner has control over.
  8. A few Candidates managed to explain credit trading as the buying and selling of goods now and paying for them later, but most of them failed the question as they gave the meaning of the different types of credit trading, like explaining simple credit and hire purchase.
  9. Most Candidates gave the correct types of aids to trade as communication and advertising. The ones who got it incorrectly gave other types of aid to trade like transport, banking, warehousing and insurance.



10. Most Candidates managed to give the advantages of using an ATM card well as being convenient, safe, reducing risks and explaining them. A few gave incorrect answers like card storing money, easy to carry and easy to operate.
11. Most Candidates managed to state the type of large-scale retailer as a departmental store and only a few gave wrong answers such as supermarket and hypermarket.
- 12.(a) Only a few Candidates managed to explain the process well as the chain of production. Most did not do well as they gave answers like production and stages of production.
  - (b) Most Candidates managed to answer this question correctly by giving the stage as the tertiary stage. However, some of the incorrect answers were, selling the rings, distribution and primary stage.

### Section B

13. Most Candidates failed this question as they gave irrelevant answers like the post office, postal order and private bag, and division of labour instead of P O Box.
14. Most Candidates got this question wrong as they stated the benefit of free post service to potential customers not to a business. They were expected to answer that a business receives feedback from many people because customers reply without paying postage.
15. Few Candidates managed to get the correct answer as they were able to write abbreviations correctly as Enc- enclosure, EM-Expedited mail service. Most Candidates gave the wrong abbreviation such as Expected mail service and Exempted mail service.
16. Most Candidates did not do well in this question as they gave answers such as incoming mail register, message pad, and remittance book instead of outgoing mail register.
- 17.(a) Most did well as they gave the correct answer which is departmental filing/decentralised filing. Only a few gave wrong answers such as centralised filing, horizontal filing and manual filing.
  - (b) Most failed this question. They gave answers like marker cards instead of the absent card. Others wrote irrelevant answers such as manual filing, and indexing card.



(c) Only a few Candidates managed to give the correct answer which is subject filing. The majority gave incorrect answers like alphabetical filing, numerical filing and horizontal filing.

18. Candidates failed to name an office machine used to cut paper to the required size as they gave answers like a shredding machine, scissors, and paper cutting machine instead of a guillotine.
19. Most Candidates managed to state the advantages of written communication as for reference, reaches a large audience and can be used as evidence but failed to explain the advantages. They confused them with reasons for filing e.g easy to access, easy to understand.
20. (a) Few Candidates managed to name the home key of the left-hand ring as "S" but most were stating all home keys for the left hand (ASDF). Others gave irrelevant answers such as QWERTY and computer hardware parts.  
(b) (i) Most Candidates failed to state the appropriate computer software for typing letters as they gave answers like keyboard and word 2008 instead of the word processor.  
(ii) Most Candidates failed to state the appropriate computer software for recording monthly academic marks as they gave answers such as Excel, Database, or Central Processing Unit instead of a spreadsheet.
21. Few Candidates stated that workers should rush to the fire assembly point when a fire alarm is sounded in a building, while the majority stated that they should exit the building but failed to state where they should go after leaving the building.
22. Most Candidates gave duties of a receptionist instead of explaining why it is important for the receptionist to be knowledgeable about the organisation they work for, as they gave answers like receiving visitors, directing visitors and answering the telephone instead of the receptionist giving correct information about the organisation as the first point of contact.
23. (a) Most Candidates failed to state the letter style as fully blocked style but instead gave answers like Blocked, Indented, Semi Blocked Style.

- (b) Majority failed to identify the person who issued the letter as K. Basupi instead they wrote Ms S Francis, Managing Director.
  - (c) Few Candidates gave the correct salutation as Dear Madam while the majority failed to state the correct salutation as they gave answers such as Dear Sir/Madam, Yours faithfully.
24. Most Candidates gave filing classifications such as alphabetical filing, and numerical order instead of vowel and page indexing respectively.

### PAPER 2

#### Section A

1. Almost all Candidates managed to answer the question correctly. They were able to calculate the selling price.
2. (a) Majority of Candidates wrote the uses of the current account as they stated that it keeps Lola's money safe instead of writing the benefits.
  - (b) Candidates were able to state sources of finance that Lola would use to finance her business but failed to explain them instead they explained how the money will be used.
  - (c) Most Candidates did not explain the benefits of Lola's business but instead, they came up with benefits that are not applicable to Lola's business such as Lola can improve infrastructure like roads and build schools.
- 3(a)(i) Almost all Candidates managed to calculate the fixed costs.
  - (ii) Most Candidates managed to calculate the unit cost, but they rounded the answer to the nearest 10, which was not acceptable.
- (b) Almost all Candidates repeated the question as they stated that the importance of profit/loss is to know whether Ted made a profit or loss in his business.
- (c) (i) Almost all Candidates were able to state the importance of an order.

- (ii) Some Candidates did the order well, but the layout was not correct because they wrote it like a letter with a salutation (Dear sir/madam) and complimentary close of Yours faithfully.

### Section B

4. (a)(i) Majority of Candidates did not show the matter of urgency when dealing with urgent mail as they wrote answers such as recording and date stamping the mail.
- (ii) Most Candidates stated that personal mail is passed unopened to the addressee while they failed to state that personal mail is not registered in the incoming mail register.
- (b) Most Candidates showed knowledge of the importance of using a letter opener, but they failed to elaborate more on how to use it.
- 5.(a) Most Candidates were able to display knowledge of the benefits of using computers.
- (b) Most Candidates performed well as they were able to elaborate their points very well on caring for computers.
- (c) Most were able to state the effects on the working relations of Tshepo and Peter, however, they failed to explain their points very well.
6. (a) The question was well answered as most were able to identify the risk indicated by the safety sign as dangerous/ toxic.
- (b) Most were able to correctly identify the risk indicated by the safety sign as flammable.

## COMMERCE AND ACCOUNTING

### PAPER 1

#### Section A

1. (a) Most Candidates performed well on answering the question as they were able to define direct production as the making of goods and provision of services for own use/ family consumption. Some were defining indirect production as they included selling.



- (b) Majority of Candidates were able to define the cost of production correctly whereas few were unable to define it but they wrote the formula of how cost of production is calculated.
2. Majority performed extremely well as they matched the factors of production and their given rewards correctly.
3. (a) Most did not do well as they stated that a credit note is issued at the end of the month which is wrong instead of stating that it is issued when a customer returns goods to the business, and when the buyer is overcharged.
- (b) Majority of Candidates knew the trade documents but failed to differentiate between those sent by the buyer and those sent by the seller. Fewer Candidates managed to give relevant documents that are sent by the seller to the buyer.
4. Most Candidates performed badly as they showed that they did not know the types of business organisations, their features and how they operate. The wrong answers given were as follows: limited company, liability, public sector company and private limited company. There were only a few who were able to perfectly answer the question as they indicated sole proprietorship and partnership as the business organisations which are likely to stop operations when the owner dies.
5. Majority of the Candidates did not perform well as they gave wrong answers such as debit, credit, statement of account and calculation of start-up cost. The Candidates did not give the correct answer being finance or financial sector.
6. Majority did not perform well as they were adding all the figures given instead of deducting the deposit from the cash price and adding interest, to get the total due and then dividing it by 6 months to get the monthly installment of P 558.33
7. Majority failed to show that strengths are positive/favourable internal factors as they confused strengths with opportunities.
8. (a) Majority of Candidates performed well as they were able to explain credit trading as buying and selling goods now and payment made later. Few got it wrong as they wrote answers such as buying and selling goods on credit.





- (b) Most Candidates did well as they gave the correct answers such as hire-purchase, lay-by and simple credit. Only a few did not do well on this question as they gave wrong answers such as buying furniture on credit, loan, and trade payables.
9. Majority of Candidates did well as they managed to state the aids to trade used in contacting customers while a few who did not do well gave answers like transport, warehousing, insurance and banking.
10. Most Candidates performed well as they clearly explained the advantages of an ATM card. Few who failed it only stated the advantage but did not manage to explain it.
11. Most did well on this question since they were able to identify department store as the question required. Only a few got it wrong as they stated answers such as a chain store and a hypermarket.
12. (a) Majority failed to state the chain of production as the correct answer as they wrote a chain of distribution, stages of production and the process of making a diamond ring.  
(b) Majority did well as they managed to identify the stage of production shown by the last picture as tertiary production while those who did not do well gave answers like secondary production, selling of diamond rings and packaging.

### Section B

13. Most Candidates were not able to answer this question well because they confused the two accounts, that is, cash and bank account. A few managed to answer the question correctly.
14. Majority failed to state the correct ledger where the double entry for a transaction can be found as they gave answers such as voucher number, details and date whereas few Candidates correctly stated the name of the column described which is a folio.
15. (a) A lot of Candidates did not manage to state the correct type of account. Those who failed to address the question wrote answers like a real account, nominal account, or impersonal account instead of a personal account.

- (b) Most Candidates performed fairly. Only a few were able to answer the question correctly. Most debited the correct account and credited Lebitso's account, which was not correct, while others swapped the answers.
16. Majority of Candidates managed to correctly calculate the value of capital. They added all assets and then subtracted liabilities. A few failed to calculate the correct value as they added assets to liabilities.
17. The question was failed across most Centres as Candidates failed to justify why closing inventory is deducted from the cost of goods available for sale in the income statement. Most of them were saying to find profit or loss, instead of to find the cost of goods sold.
18. Majority did well as they stated examples of non-current assets whereas few could not differentiate between current assets and non-current assets. They listed answers such as debtors, cash, bank as well as liabilities.
19. Few were able to calculate the value of revenue correctly whereas the majority of did not understand the treatment of gross loss and could not work it backward to get the value of revenue.
20. Most Candidates did not perform well in this question. They defined returns outwards instead of stating the purpose of returns outwards accounts. Others stated the purpose of returns inward account. Only a few managed to perform well as they stated the correct response which is to record goods returned to the suppliers.
21. Many Candidates failed this question. They debited Mrs Mariba and credited Mr Mariba, others credited the sales, and shoes account while others swapped the correct responses instead of debiting the drawings account and crediting the purchases account.
22. Most Candidates showed a lack of understanding of the concept as they wrote answers such as the statement of account, bank slip, cash book and receipt. However, most Candidates did well as they gave bank statements as the correct response.

23. A lot of Candidates did not answer the question correctly. Their common answer was that it saves time, it is easy to use, without indicating the advantage of using the spreadsheet in a business.
24. Majority of Candidates did not do well on this question. They stated items found in an income statement like gross profit, net profit, cost of sales, surplus, and deficit instead of stating the main sections of the income statement which are the trading account, profit and loss account for a trading sector business and income and expenditure for a service sector organisation. Some left blank spaces.
25. Majority did not perform well on this question as they wrote the meaning and examples of double entry. However, few did well by defining contra as transactions affecting both cash and bank in the cash book where double entry is completed in the cash book.
26. Most Candidates did not do well as they showed a lack of understanding by mentioning answers like the cashier will be given P145 and P805. Few did well by writing P350 as the answer.
27. (a) Candidates in most Centres managed to name the account in which double entry will be recorded in Tefo's books. Only a few wrote wrong responses like purchases, personal account and bank account.
- (b)(i) Most Candidates managed to calculate the balance on Katso's account on 31 January 2020 as P 295. Only a few failed to show the correct balance of the ledger as they added everything.
- (ii) Candidates in most Candidates failed to state what the balance on Katso's account on 1 February meant. Only a few answered the question as expected. They wrote wrong responses such as, 'balance from the previous month will be used to open the business next month, some wrote the answer as balance brought down. However, few did well by writing the response as 'Katso owes Tefo P 295'.

## PAPER 2

### Section A

1. Most Candidates managed to answer this question correctly by calculating the mark up then adding it to the original price. A few candidates correctly calculated the markup but failed to add it to the original price and gave the calculated markup as the selling price.
2. (a) A few Candidates were able to state the uses of a current account and showed how it benefits a business. Most were confusing the current account with the savings account by stating features of a savings account such as earning interest.  
(b) Most Candidates were able to state the source of finance which Lolla would use to finance her business but failed to fully describe how the mentioned source of fund is paid back eg if it is a bank loan to mention that it is paid back at an agreed time with interest. Instead, Candidates were explaining the uses of the fund by the business like buying equipment.  
(c) Majority were able to state the benefit of Lolla's business to the community but failed to explain how the stated point benefits the community. Eg candidates will be able to state the correct point like employment but fail to show this benefits the community. Some Candidates were not relating their answers to the scenario instead they were treating Lolla's business as a manufacturer, not as a retailer.
- 3(a)(i) Majority failed to calculate the fixed costs as they included water bills and electricity bills amongst the fixed cost of a bakery. This resulted in getting a wrong answer. Only a few were able to pick that there was only one fixed cost in the scenario which is rent.  
(ii) Most Candidates did well on this question. They were able to pick variable costs from the list of items in the scenario and properly calculated the total variable costs.  
(iii) Most Candidates were able to state a formula for calculating the unit cost of production and then correctly applied the formula in calculating the unit cost.

However, some failed to round off the amount to two significant figures instead they rounded to the whole number which made the answer wrong.

- (b) Most Candidates gave the wrong answer by repeating the question instead of stating the importance of Ted knowing the profit and loss. Some managed to state the importance of Ted knowing the business profit and loss but failed to explain.
- (c) (i) Majority managed to state the importance of order correctly except for a few.  
(ii) Most did well as they were able to prepare the order properly with the addresses and dates from the given scenario. They were able to record the information correctly. Some Candidates failed to give the correct date as they used the date for the exam day instead of the one given in the scenario. A few were confusing an order with a formal letter.

### Section B

- 4.(a) The question was fairly answered as most Candidates were able to record the transactions in the ledger accounts by showing the date, correct details and amount. Some who did not do well failed to show the dates of the transaction. There were a few Candidates who completely failed to do the double entry.  
(b) Most Candidates were able to balance off the cash account correctly, even though they were some who did not include the date when recording the balance b/d. Some failed to balance off the account as they did not record the transactions properly.
- 5. Majority of Candidates did well as they were able to show the effects of the transaction on the statement of financial position and they were able to do the calculations properly. They were some Candidates who did not show their workings, but they were able to calculate the correct answer.

### PAPER 4

- (a) Majority of Candidates failed to understand and interpret the scenario leading to them not being able to give possible accepted answers. They gave answers such as brainstorming, complaints, identifying the problem, and modifying the existing product which were not acceptable. Some Candidates explained methods of market research instead of coming up with relevant ways of generating business ideas that the 2Es could have used. Only a few Candidates stated a correct point without explaining it.
- (b) This item was averagely performed as Candidates were able to compare the competitor who was mentioned in the scenario with the class indicated. Candidates provided the advantage of easy access to the market over Mr Fruitty. Those who failed the question were not able to compare the two businesses. Some gave advantages of Mr Fruitty over the 2Es. Others wrote ways to promote Mr Fruitty's business which was not required by the question.
- (c) (i) Most Candidates were able to draw the bar chart but failed to provide the correct title and the layout (failed to indicate the proper axis as well as showing the 60 potential customers on the Y axis or indicating with an arrow to show continuation). A few were not able to draw the bar graph as some drew a pie chart and histogram which were not applicable.  
(ii) Most were not able to interpret the findings as they were clueless. They did not understand what was to be done in the question. Some copied the information as it was from the scenario but a few managed to show that most respondents preferred dried mangoes in large numbers but failed to indicate a conclusive opinion. Others interpreted it as if they were part of the form 2Es.
- (d) (i) Some Candidates performed well as they were able to calculate the gross profit accurately. However, some failed to calculate the gross profit. Instead of them subtracting the cost of sales from revenue, they added it.

- (ii) Most Candidates failed to calculate the net profit correctly due to wrong expenses. They did not multiply the amount for wages by the number of students. Candidates seemed to be clueless about how to calculate the net profit.
- (e) (i) Some Candidates were able to state the importance of an organisational structure but failed to explain the point. Some of them were not able to explain the importance of the organisational structure as some stated the roles of the positions in the structure.
- (ii) Most Candidates performed well as they were able to draw the correct organisational structure as expected by the question. Only a few failed to draw the correct structure as they swapped positions. They drew a four-level organisational structure instead of three. Most of them put the Sales Supervisor and the Sales Assistant under Marketing Officer even though they are not on the same level.
- (f) Most Candidates failed this question as they only stated the importance without explanation. Some explained that the cash book is important to calculate net profit which was unacceptable. The majority wrote the uses of the cash book instead of writing the benefits.
- (g) Majority of Candidates were not able to describe ways of taking care of the physical environment that the business operates in. They wrote irrelevant answers such as cleaning and avoiding pollution. Only a few were able to state the ways of taking care of the environment but failed to explain the points.
- (h) Some Candidates fairly performed as they were able to describe two promotional techniques as expected. Some stated the technique without explaining them. They failed to state the techniques that promote the product to boost sales.
- (i) Many Candidates were not able to answer the question correctly as some wrote the steps of direct selling which was unacceptable. Only a few were able to explain the reasons for follow-up correctly, which is feedback on product, price and customer loyalty.