



BOTSWANA EXAMINATIONS COUNCIL
JUNIOR CERTIFICATE EXAMINATION

COMMERCE AND ACCOUNTING

26/1

Paper 1

October/November 2019

Marks: 50

Time: 1 Hour

Candidate
Full Names:

Centre Number:

J	C				
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Candidate Number:

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INSTRUCTIONS

1. Write your full names and examination number in the spaces provided above.
2. Answer **ALL** questions.
3. All answers must be written in the spaces provided.

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FOR EXAMINER'S USE ONLY

Sections	Marks Scored
A	
B	
Total Marks	



This question paper contains 9 printed pages.

SECTION A

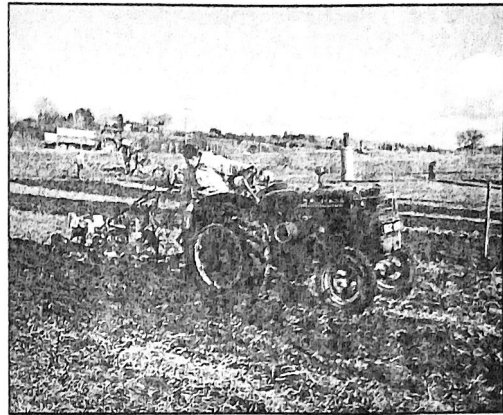
(25 Marks)

For
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Use

1. Below are **two** pictures labelled **A** and **B**, illustrating the stages of production.



A



B

Identify the stage of production illustrated by the activity in each of the pictures.

A..... B..... (2)

2. Explain **one** way in which absenteeism could affect productivity in the work place.

.....

 (2)

3. Complete the table below by stating the type of trade described by the statement.

Statement	Type of trade
Kago buys vegetables from the local farmers and sells them to the local community	
Kit buys second-hand clothing from Russia and sells them to the locals	

(2)



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4.

Identify the function of a retailer described in each of the sentences below:

(a) Buys goods in large quantities and sells them in small quantities.

..... (1)

(b) Stores goods in large quantities before they could be sold to the final consumer.

..... (1)

5. Teto has just come up with an idea of starting a business.

(a) Explain **one** key competency that Teto should possess as an entrepreneur.

.....
.....
.....
..... (2)

(b) Explain **one** ethical consideration that Teto will have to take into account when he starts to operate his business.

.....
.....
.....
..... (2)

6. (a) When is a *point of order* raised in a meeting?

.....
..... (1)

(b) Define the term *majority* as used in a meeting.

.....
..... (1)

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7. Explain **one** advantage that a small business would gain from using a grant as a source of finance.

.....
.....
.....
..... (2)

8. The Managing Director of a certain company involves all employees in decision making.

(a) Name the type of leadership style practiced by the Managing Director.

..... (1)

(b) Explain **one** advantage of the leadership style practiced by the Managing Director.

.....
.....
.....
..... (2)

9. Describe a *factory shop* selling method.

.....
..... (1)

10. Explain how a *follow-up system* benefits a business which uses direct selling method.

.....
.....
.....
..... (2)

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11. State the method of credit trading described in each of the statements below:

(a) Dimpho bought clothes on credit from Ali store. He wears the clothes before paying for them fully.

..... (1)

(b) Ellah buys groceries from Bothupi General Dealer and pays for them at the end of the month.

..... (1)

12. The Central Bank pays for loans obtained abroad by the government.

What function is the Central Bank performing?

.....

..... (1)

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SECTION B

(25 Marks)

For
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Use

13. List any **two** advantages of keeping financial records in a business.

.....
..... (2)

14. Explain **one** way in which a bank may use accounting information of a business.

.....
.....
.....
..... (2)

15. What type of account is a machinery account?

..... (1)

16. (a) On which side of the ledger is the *balance b/d* of the Drawings Account?

..... (1)

(b) State the effect of drawings on the Statement of Financial Position.

..... (1)

17. A business paid Lolly Pop (Pty) Ltd P1 200 less 10% cash discount.

Calculate the amount that was paid to Lolly Pop (Pty) Ltd.
Show your working.

P..... (2)

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18. (a) Record the following transaction in the ledger of Koi (Pty) Ltd.

2018 October 10: Joyce returned goods worth P300 to Koi (Pty) Ltd.

DR			Joyce Account			CR
Date	Details	Amount	Date	Details	Amount	

DR			Returns Inwards Account			CR
Date	Details	Amount	Date	Details	Amount	

(2)

(b) State any **two** effects that the Returns Inwards would have on the Income Statement of Koi (Pty) Ltd.

.....

.....

.....

..... (2)

19. (a) State how business expenses are treated in an Income Statement.

..... (1)

(b) State the term used to describe the business expense of transporting goods to a customer.

..... (1)



20. Thato is a trader. The following transactions were recorded in her books.

- 2018 July 2: Bought goods on credit from Thabang Wholesalers worth P500.
- 3: Thato took goods worth P60 for personal use.

Record the transactions of Thato in the Purchases Account below and balance off the Account.

DR			CR		
Purchases Account					
Date	Detail	Amount	Date	Detail	Amount

(4)

21. Complete the table below by stating **two** differences between a trading business and a service business.

Trading business	Service business

(2)

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22. The following transaction was recorded in the books of Tumisang Wholesalers.

2018 June 20: Paid ZBC (Pty) Ltd P400 by cheque.

Complete the Bank Account below by recording the transaction in Tumisang Wholesalers books of accounts. Use the running balance method.

Bank Account

Date	Details	Dr	Cr	Balance
2018 June 1	Balance b/d	P	P	P 1 000 DR

(2)

23. State **two** advantages of using a spreadsheet for recording financial transactions.

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(2)

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