

**JUNIOR LYCEUM ANNUAL EXAMINATIONS 2008**  
**DIRECTORATE FOR QUALITY AND STANDARDS IN EDUCATION**  
Educational Assessment Unit

**FORM 3**

**BUSINESS STUDIES**

**TIME: 1h 30 min**

Name: \_\_\_\_\_

Class: \_\_\_\_\_

**ANSWER ALL SECTIONS**

**SECTION A**  
*(20 marks)*

**Answer all questions in this section by ticking the correct answer in the space provided. Each question carries 2 marks.**

1. All resources can be grouped into
  - (a) Workers, offices, machinery and animals.
  - (b) Land, labour, capital and entrepreneur.
  - (c) Managers, shops, vehicles and supervisors.
  
2. Examples of the primary sector are
  - (a) Fishing, wood cutting, rock excavating.
  - (b) Agriculture, wood working, road construction.
  - (c) Mining, quarrying, electrical engineering.
  
3. Communication may include
  - (a) Letters, phone calls, envelopes.
  - (b) Graphs, computers, television sets.
  - (c) Pictures, signs, facial expressions.
  
4. A pie chart shows
  - (a) An exact number.
  - (b) A picture of a firm.
  - (c) A percentage or proportion.
  
5. A bank offers all of the following services
  - (a) Income tax calculation, loans, advices to businessmen.
  - (b) Financial advice, cash deposits, safe-keeping of valuables.
  - (c) Accounting services, bank drafts, building permits.

6. The Human Resources department of a firm is concerned with
- (a) Setting, checking and controlling quality of production.
  - (b) Work allocation, salary payment, quality control.
  - (c) Recruitment, selection, motivation of workers.
7. The main difference between a good and a service is that
- (a) A good has physical existence while a service has no physical existence.
  - (b) A good has to be paid for while a service cannot be paid for.
  - (c) A good is non-durable while a service is always durable.
8. The store-keeper is responsible
- (a) To decide from which suppliers to buy.
  - (b) To determine the quality of materials used.
  - (c) To keep good records of the items in stock.
9. Malta is an example of a
- (a) Mixed economy.
  - (b) Free market economy.
  - (c) Planned economy.
10. In Douglas McGregor's theory of management, **Type X Manager** is similar to
- (a) A democratic type of manager.
  - (b) An autocratic type of manager.
  - (c) A laissez-faire type of manager.

**SECTION B**  
(20 marks)

**Answer BRIEFLY ALL questions in this section on the foolscaps provided. Each question carries 2 marks.**

1. What do you understand by the term *labour* in Business Studies?
2. What do you understand by the *tertiary sector/stage* of the economy?
3. What is the *public sector* of an economy?
4. Give two (2) reasons why sole traders may change their business into a partnership.
5. What do you understand by *unlimited liability*?

6. What is the difference between a *bank savings account* and a *bank current account*?
7. What do the letters *JIT* stand for? What is the meaning of this term?
8. What are the *minutes* of a committee meeting?
9. What is the *main* difference between a *public limited company* and a *private limited company*?
10. What is a *footloose* firm or industry?

**SECTION C**  
(40 marks)

**Answer ALL questions in this section, with all their respective sub-divisions, on the foolscaps provided. Each question carries a total of 20 marks.**

1. **During the run up for the introduction of the euro in Malta, a number of firms and establishments were displaying the following symbol:**



**This symbol means that the firms will not take an unfair advantage from the change of the currency.**

- (a) This is an example of which kind of communication? (1 mark)
- (b) Mention *two* (2) other types of communication and give one (1) example of each. (4 marks)
- (c) Mention *four* (4) factors that can cause problems or breakdowns in communication. (4 marks)
- (d) Firms need both internal and external communication. Define *internal communication* and *external communication*, bringing about the difference between the two. (4 marks)
- (e) Mention *two* (2) methods/means mostly suitable for *internal communication*. (2 marks)

- (f) Mention *two (2)* methods/means mostly suitable for *external communication*. (2 marks)
- (g) What is *information technology*? Give *one (1)* advantage and *one (1)* disadvantage of information technology. (3 marks)

2. The following is an example of an advert for a job application:

**betsson**

**ASSISTANT ACCOUNTANT**

***Betsson is looking for an Assistant Accountant based in Malta.***

Betsson is one of the fastest growing companies in the online gaming business and we serve customers from all around the world with a variety of products including Poker, Casino, Bingo, Scratch cards, Exchange Betting, Financial Betting, Sportsbook and Games.

The position offers the opportunity to work within a dynamic and cutting edge company.

**Responsibilities:**

- Day to day accounting duties
- Payroll preparation
- Betting system and bank account reconciliations
- Monthly accounting procedures
- Managing multi-currency bank accounts
- Liaising with banks, auditors, solicitors and suppliers
- Assisting in the preparation of monthly management accounts
- Reporting directly to the Finance Manager

**Qualifications and skills:**

Candidates should be University graduates in Accounting or studying towards their ACCA qualification. The position is ideal for a bright and enthusiastic individual with 1-2 years experience in a similar role.

The successful applicant will also be professional and motivated with an extreme attention to detail. A working knowledge of the Navision accounting package and Microsoft Office will be considered an asset.

Auditing experience will be looked upon favourably.

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If you are interested in working for a fast paced company in an international environment, please forward your Covering Letter and CV, in English to e-mail: **jobs@betsson.com**

Application deadline is January 3, 2008.

BETSSON, G.B Building, Water Street, Ta 'Xbiex XBX 1301

- (a) What is a *job description*? (1 mark)
- (b) Outline the job description illustrated in the advert given above. (3 marks)
- (c) What is a *job specification*? (1 mark)
- (d) Outline the job specification illustrated in the advert given above. (3 marks)
- (e) The given advert was published in local newspapers. Mention *two* (2) other forms how a firm can advertise to fill a vacancy. (4 marks)
- (f) How can the Employment and Training Corporation (ETC) help firms to fill in the vacancies that they may have? (2 marks)
- (g) When a person applies for a job s/he is asked to draw up a *C.V.* What do the initials *C.V.* stand for and what does a *C.V.* contain? (3 marks)
- (h) When a firm receives many applications, some are accepted and others are rejected. What is this process called? (1 mark)
- (i) Sometimes a firm asks for a *referee*. What is a *referee* in the context of an application for a job? (2 marks)

**SECTION D**  
(20 marks)

**Write an essay on ONE (1) of the suggested titles below. Be sure to answer all questions related to the essay you have chosen. Each question carries 20 marks.**

**1. An important concept of marketing is the *Product Life Cycle*.**

- (a) What is the *product life cycle*? (2 marks)
- (b) Mention the *stages of the product life cycle* and explain briefly what happens in each stage. (12 marks)
- (c) Draw an example of a product life cycle, illustrating the stages you have mentioned in (b) above. (4 marks)
- (d) Why is the product life cycle important for the firm? (2 marks)

**2. Two entrepreneurs would like to form a joint stock company to run a chain of hotels in Malta and Gozo.**

- (a) Describe *three* (3) **advantages** of forming a joint stock company. (6 marks)
- (b) Which two (2) important documents have to be prepared by the persons forming the company? (2 marks)
- (c) What does each of the documents mentioned in (b) above contain? (8 marks)
- (d) What does the Registrar of Companies have to issue to newly registered companies? (2 marks)
- (e) Which special certificate has to be issued by the Registrar of Companies to *public limited companies*? (2 marks)

3. Two important functions of a firm are the *Purchasing Function* and the *Production Function*.

- (a) Distinguish between these two departments. (4 marks)
- (b) Why is it important that these two departments co-operate between each other? (4 marks)
- (c) Why is it important for a firm to select (i) its suppliers and (ii) the quality of material very carefully? (4 marks)
- (d) In a computerised stock record system stock items are identified by means of bar codes.
  - (i) What is a *bar code*? (2 marks)
  - (ii) Explain *one (1) advantage* of using a computerised stock record system. (2 marks)
- (e) *Progress chasers* and *quality controllers* are two important occupations. Explain the importance of each of these two jobs. (4 marks)