



# **JUNIOR CERTIFICATE EXAMINATION**

**2000**

**BUSINESS STUDIES**

**HIGHER and ORDINARY LEVELS**

**CHIEF EXAMINER'S REPORT**

# HIGHER LEVEL

## 1. INTRODUCTION

The purpose of this report is to inform teachers of the performance of the candidates in the Junior Certificate Examination in Business Studies at Higher Level. It is hoped that together with the marking scheme which is available to schools it will be helpful to teachers in their work of guiding future examination candidates.

Business Studies at Higher Level consists of two papers. Paper 1 is divided into two sections. Section A consists of twenty short questions, all of which are to be answered. The maximum marks awarded for this section are 80 marks, and the section is compulsory. There are six questions in section B of which the candidate must answer four. Section B carries a total of 160 marks. The total marks awarded for Paper 1 are 240 which represents 60% of the total marks awarded for the two papers. Paper 2 consists of six questions from which the candidate must answer four. Each question carries 40 marks and the total of 160 marks for Paper 2 represents 40% of the total marks awarded for Business Studies at Junior Certificate.

## 2. PERFORMANCE OF CANDIDATES

The Higher Level papers were perceived as well laid out and presented. Examiners considered the examination as fair but testing with questions that covered a range of the syllabus topics. There was a problem with the supply of Business Studies answerbooks and additional supplementary stationery was required for the examination. Teachers expressed some concern about this issue. Evidence from the examination indicates that students were not disadvantaged by this difficulty and either used the supplementary stationery issued by the Department in advance of the examination or used their own rulings.

The number of candidates who sat the Higher Level paper was 26496. Comparative figures for previous years are shown in the table below. As the table illustrates, the numbers taking Business Studies have decreased for the years shown. This is consistent with the decrease in the total number of Junior Certificate examination candidates in the same period.

**Total Number of Candidates by Level**

<b>Year</b>	<b>1997</b>		<b>1998</b>		<b>1999</b>		<b>2000</b>	
<b>Higher</b>	30752	70%	29947	70%	28009	68%	26496	68%
<b>Ordinary</b>	13305	30%	12729	30%	12889	32%	12729	32%
<b>Total</b>	44057	100%	42676	100%	40898	100%	39225	100%

There is a marginal change in the numbers taking each level in the last two years. In 1999 there was a 2% increase in the numbers taking Ordinary Level with a resultant

decrease in those taking Higher Level. This pattern was repeated in the 2000 examination.

The table below illustrates the overall grades awarded to candidates at this level in 2000, and for the previous three years.

**Percentage Grades Awarded - Higher Level**

<b>Grade</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
	%	%	%	%
<b>A</b>	9.40	5.80	9.40	7.70
<b>B</b>	35.20	31.90	39.20	35.20
<b>C</b>	37.00	40.20	38.50	39.10
<b>D</b>	16.10	19.90	11.90	16.00
<b>E</b>	1.90	1.90	0.80	1.70
<b>F</b>	0.40	0.20	0.10	0.30
<b>NG</b>	0.00	0.00	0.00	0.00

### 3. ANALYSIS OF PAPER 1

A report follows on each question on the paper. The popularity ranking and average mark given for each question are based on a sample of scripts from all examiners and should be used as a general guideline only.

<b>Question</b>	<b>Popularity/Rank Order</b>	<b>Average Mark Earned</b>	<b>Average % Earned</b>
Section A	Obligatory	42	53
<i>Question 1</i>	1	33	83
<i>Question 2</i>	2	28	70
<i>Question 3</i>	4	25	63
<i>Question 4</i>	6	24	60
<i>Question 5</i>	5	24	60
<i>Question 6</i>	2	30	75

Following is an analysis of candidates' answers to each question of the paper with specific reference to common errors.

### SECTION A

- Q.1** This was generally well answered with many scoring 3 out of 4, the most difficult being CAD and some gave Institute of Technology for IT and Pentium computer for PC.
- Q.2** This was answered very well and most students understood APR and CAR.
- Q.3** Most got at least two marks here. HP was often given as short-term and Charge Card as medium term.
- Q.4** The correct answer, Certificate of Incorporation, was given in the majority of cases. The most common error was Memorandum of Association.
- Q.5** Few could list two correct ways for checking credit rating. Some candidates seemed to have the impression that one can contact the customer's bank directly. Some answered it from the bank's point of view and many missed the word 'new' in the question.
- Q.6** Candidates failed to exhibit a good knowledge of double entry. A lot had difficulty with the account to be debited, incorrectly debiting Purchases or Tom O'Shea was common.
- Q.7** Most candidates got two correct but AIB Finance and Leasing caused some difficulty.
- Q.8** Debtors Control a/c: This was very poorly answered and full marks were seldom awarded. There was a lack of consistency in candidates' thinking as Sales and Sales Returns were often on the same side.
- Q.9** (a): Calculate Sales was correctly answered but very few could calculate the net profit, which was 15% of Sales or own sales figure.
- Q.10** In general this was not well answered with many relying on guesswork. Carriage Out, was frequently incorrect.
- Q.11** It was not attempted by some, but those who did mostly got it correct.
- Q.12** Percentage Dividend was answered very well. Some candidates guessed and gave 5% or 105, which was incorrect.
- Q.13** Matching term with explanations was well answered.
- Q.14** Channel of Distribution: Both parts were badly answered but (a) more so than (b). Some students were not sure what was sought. Regular answers were 'retailer sells', 'provides credit' and 'choice'.

- Q.15** Mark Up was often omitted and about half of candidates got it correct. The common error was the profit over the selling price - 25%. Others put Cost Price over Selling Price - 75%.
- Q.16** This was poorly answered, part (b) more so. Many picked figures at random or ignored the question. A common error in part (b) was to omit the Reserves figure from Shareholders Funds.
- Q.17** This 'Source documents' question was not well answered and (c) was the most frequently incorrect one.
- Q.18** Insurance calculations, part (a): Annual premium was well answered in most cases but it sometimes had too many zeros in the answer. Part (b), Compensation - very few got this correct.
- Q.19** This was one of the most poorly answered questions in Section A. Correct answers were very rare, reflecting a poor understanding of ledger accounts. Mar.1 usually was 'had a balance of' and Mar.10 'had returns of'. It was often explained as J.Leahy returning goods.
- Q.20** This question was poorly answered with many giving 'Multiple Stores', instead of the correct answer 'Voluntary Stores'.

## **SECTION B**

### **Q.1 HOUSEHOLD ACCOUNT AND BUDGET**

This was the most popular question on the paper, producing the highest average mark.

**(A) *Analysed Cash Book***

This question was exceptionally well answered. The main errors were the omission of the cheque number column and the opening balance figure. In some cases, the opening balance figure was analysed under others and included in part (b) with total income. Some showed a separate analysis column for clothes and shoes.

**(B) *Budget Comparison Statement***

It was well answered and candidates achieved good results for their efforts. The overwhelming majority used the plus (+) and minus (-) signs as instructed but some wrongly reversed them. It was exceptional to find anyone using brackets.

Some candidates had difficulty in calculating Net Cash Actual and Net Cash difference.

**(C) (i) (ii) and (iii)**

The acceptance of 'own figures' benefited many students in these sections and candidates scored well.

**(iv)**

Of the two types of insurance they were legally obliged to have, car insurance

was nearly always mentioned but few gave PRSI. Many gave house insurance, VHI and PAYE.

## **Q.2 BANKING**

### **(A) *Complete Lodgement Form***

This section was well answered with most candidates gaining at least ten out of a possible thirteen marks. The most common error was giving 'Thomas Burns' instead of 'Pure Drop Inn' for account name.

### **(B) *Banking Services offered to Thomas Burns***

The cheque card was often seen as a method of payment on its own or as a Laser card and few could explain the guarantee aspect of a cheque card.

Credit card was confused with Laser card or Debit card.

Overdraft Accommodation was not clearly explained. It would not seem to be a well-known term. Few mentioned current account in their answer.

Night Safe was frequently confused with a Safe Deposit Box.

- (C)** (i) This was Generally well answered with most students giving three items of information.
- (ii) Candidates did not score well here as they failed to contrast the two types. They mainly stated the attributes of each. Some students thought that one could not withdraw money from a deposit account.

## **Q.3 CURRENCY AND INFLATION**

- (A)** (i) The correct answer was given in most cases.
- (ii) Most students were aware that the United Kingdom did not join the common currency.
- (iii) The majority of students correctly stated 2002.
- (iv) Almost all could give a benefit of the Euro.
- (v) Almost half the candidates were incorrect in the procedure of converting. They multiplied instead of dividing.
- (B)** (i) Good definitions were common, with many candidates displaying an in-depth understanding of the topic.
- (ii) Few knew the correct term for the official measure of inflation. Some offered GNP as an incorrect answer.
- (iii) Attempts were generally good and this area allowed good students to display their understanding of the topic. There were some weak answers which needed development.
- (iv) The majority had the correct answer of 5%

- (C) In explaining the effect that high inflation would have on the given factors, candidates found it hardest to explain the effect on borrowers. Some reasonable attempts were made to give the effect on exporters and cash savers. Cash was sometimes interpreted as bank savings.
- (D) This was very well answered. Some calculated £12.21 correctly but added it incorrectly.

#### **Q.4 CLUB ACCOUNTS**

This was the least popular question. The spread of marks was wide with some students scoring very well and others very badly.

- (A) Many ignored this part on the calculation of the Accumulated Fund and only a small number gave with the correct answer.
- (B) (i) *Receipts and Payments Account*  
This was well answered in most cases. The most common error was the failure to include the opening balance. Occasionally, the adjustments were included in the receipts and payments account.

##### *(ii) Bar Trading Account*

Many got full marks for this section. Common errors included incomplete headings and confusion of opening and closing stocks.

##### *(iii) Income and Expenditure Account*

This was well answered with most scoring 10 marks or upwards. The common mistakes were the inclusion of capital expenditure and bar purchases and sales, even though they had calculated the bar profit. The heading was frequently incomplete. The adjustments were well done.

#### **Q.5 CONSUMER AND REPORT WRITING**

- (A) (i) The Law was usually correctly named but the Consumer Information Act 1978 was sometimes incorrectly given. Most could name two principles broken.  
(ii) Most got full marks here. The most frequent answer was 'replacement of system'.
- (B) Only a minority of candidates' gave a report format. Most presented a letter. The opening and closing paragraphs of the solution and writer's title were rarely given. The recommendations supplied were rarely followed, and students chose their own text, which was not always relevant.
- (C) Explanations of terms were vague and generally only one point was given. Few had a clear idea about the Consumer Association of Ireland or the work of the Director of Consumer Affairs. The Small Claims Court yielded the most complete answers.

## Q.6 EMPLOYMENT AND WAGES

This was a very popular question with full marks a common result for many students.

- (A) (i) This answer was correct in virtually all cases.  
(ii) Of the four underlined terms 'Overtime', 'Flexitime' and 'Subsidised' were best answered. 'Basic Pay' was sometimes confused with gross pay or minimum pay.
- (B) All sections of this question were well answered. The students demonstrated an awareness of unions and of their benefits. Points made in answers were accurate and developed. A number of students expanded on the duties of an Employer rather than Employee as was required.
- (C) Answers were correct in most cases. Problems, if they occurred, arose in calculating overtime.

## 4. ANALYSIS OF PAPER 2

A report follows on each question on the paper. The popularity ranking and average mark given for each question are based on a sample of scripts from all examiners and should be used as a general guideline only.

Question	Popularity/Rank Order	Average Mark Earned	Average % Earned
<i>Question 1</i>	6	28.4	71
<i>Question 2</i>	4	27.0	68
<i>Question 3</i>	2	28.3	71
<i>Question 4</i>	3	22.4	56
<i>Question 5</i>	1	30.0	75
<i>Question 6</i>	5	28.6	72

Following is an analysis of candidates' answers to each question of the paper with specific reference to common errors.

### Q.1 BOOKS OF FIRST ENTRY AND LEDGER

This question was the least popular choice among candidates. The attempt rate increased by 4% from 1999. The average mark also improved from 1999. The spread of marks was wide with some students scoring well and others very badly. Generally those who answered it poorly were taking it as an additional question and showed little understanding of the basic knowledge required to answer the question.

Candidates who answered this question well had no difficulty in attempting questions 2, 4 and 5. The allowance of appropriate own figure makes this question rewarding for candidates.

Common errors were:

- omission of the year in the dates and folios by some candidates;
- omission of the opening Bank Balance;
- transposition of entries.

## **Q.2 INTEGRATED DOCUMENTS AND BOOKKEEPING**

Examiners considered this a testing integrated question. The documents were usually very well completed. Teachers and examiners commented very favourably on the provision of the Books of First Entry for completion on the insert. Candidates had little difficulty in entering data in the Books of First Entry.

- A. Most candidates gave a combined answer for both documents which was acceptable when correct. Some of the answers were very vague and some students had difficulty with the word 'treated'.
- B. Candidates scored highly in this section completing documents. Errors made included inserting the incorrect date, subtracting VAT and adding trade discount. Allowing own figures benefited students who made some of these errors.
- C. This part was generally well attempted and candidates could use their own figures as generated in the invoice and receipt. However, errors included incorrect dates, omission of folios, and entry in debtor's column of the Analysed Cash Book.

## **Q3. FINAL ACCOUNTS AND BALANCE SHEET**

- A. It was evident that candidates were very well prepared for this question. The presentation of answers was excellent.

Common errors included:

- incorrect placing of Import Duty and Commission Receivable;
- failure to total the Depreciation and Cost columns in the Balance Sheet;
- omission of Authorised Share Capital;
- incorrect headings even though they were given in the question.

- B. Some candidates omitted this section.

## **Q.4 INSURANCE PREMIUM CALCULATION AND RECORDING**

Despite its popularity, this question had the lowest average mark. This can be attributed to candidates' failure to answer part (C); the Insurance Account. This resulted in many students losing up to 11 marks out of 40 for this question.

- A. The premium was generally well calculated and well presented. Errors included :
- use of incorrect figure for buildings;
  - failure to deduct the introductory offer.
- B. This was generally well answered.
- C. The candidates' own total insurance premium figure was allowed. However, most candidates then either posted it to the incorrect side and/or failed to identify the portion going to the Profit and Loss Account.

**Q.5 INTEGRATED BUSINESS AND LOAN APPLICATION**

- A. Some candidates had difficulty in specifying four suitable sources of finance.
- B. (i) The amount of the loan required was generally well calculated.
- (ii) The loan application form was very well completed, but the annual income was often incorrect and security for the loan was omitted.
- (iii) Incorrect dates and omission of folios were common as well as transposition of entries.

**Q.6 MONITORING OVERHEADS (EXPENSES) AND PETTY CASH BOOK**

- A. Often only one reason was given for monitoring overheads.
- B. While the overheads were correctly identified, often incorrect reasons were given for the differences between actual and budgeted figures.
- C. This was generally well done. Some candidates tended to enter data on the debit side only. Common errors included:
- failure to restore the Imprest;
  - omission of dates and voucher numbers.

**5. OVERALL GENERAL COMMENT**

The Higher Level papers were generally acknowledged as well laid out and presented. In general examiners felt that, while the papers were testing in some aspects, they covered a good range of the syllabus topics.

Generally there was a correlation between the popularity of the question and the marks attained. This indicates that candidates are considering the questions to answer in light of their own skills and abilities. Examiners' reports indicate that there are a number of centres where candidates ignored the bookkeeping / accounts elements of questions, with consequent loss in marks. This was especially evident in candidates' answers to section A, paper 1.

It is encouraging to note at Higher Level that the number of candidates attempting question 1 on paper 2 increased by 4% from 1999.

Approximately 25% of candidates attempted one additional question on each paper.

Candidates continue to omit dates, the year in dates and the relevant folios in the completion of accounts. Candidates with a thorough knowledge of all aspects of the syllabus perform well in the examination. Candidates who perform below their potential tend to do so because they have not studied all aspects of the course and/or ignore the bookkeeping/accounts elements of questions.

## **6. RECOMMENDATIONS FOR TEACHERS AND STUDENTS**

- ❑ It is always important for the candidate to read each question carefully and make full use of the time allocated in the examination.
- ❑ Candidates should note that marks are awarded for layout and presentation including where appropriate, Folios and Dates showing the day, month and year. This instruction is printed on the examination paper.
- ❑ Candidates are encouraged to answer all parts of the question in order to maximise the marks attained.
- ❑ Teachers are asked to emphasise to candidates the importance of integration and double entry bookkeeping.

# ORDINARY LEVEL

## 1. INTRODUCTION

The purpose of this report is to inform teachers of the performance of the candidates in the Junior Certificate Examination in Business Studies at Ordinary Level. It is hoped that together with the marking scheme which is available to schools that it will be helpful in their work of guiding future examination candidates.

The Business Studies paper at Ordinary Level consists of two sections. Section A comprises 20 short questions, all of which are to be answered by the candidate. In section B there are eight questions and the candidate is required to answer five. Sections A and B carry 100 and 300 marks respectively.

## 2. PERFORMANCE OF CANDIDATES

The Ordinary Level paper was perceived as very well laid out and 'student friendly'. The paper was well received and considered by examiners to be fair with a good choice of questions. There was a problem with the supply of Business Studies answerbooks and additional supplementary stationery was required for the examination. Teachers expressed some concern about this issue. Evidence from the examination indicated that students were not disadvantaged by this difficulty and either used the supplementary stationery issued by the Department in advance of the examination or used their own rulings.

The number of candidates who sat the Ordinary Level paper was 12729. Comparative figures for previous years are shown in the table below. As the table illustrates the numbers taking Business Studies decreased over the last number of years. This is consistent with an overall decrease in the student population. The numbers taking Ordinary Level do not show a corresponding decrease. (cf. Par. 2 Higher Level Report).

	1997	1998	1999	2000
<b>Ordinary Level</b>	13305	12729	12889	12729
<b>Total</b>	44057	42676	40898	39225

### Percentage Grades Awarded - Ordinary Level

Grade	1997	1998	1999	2000
	%	%	%	%
<b>A</b>	7.90	6.90	9.70	6.50
<b>B</b>	35.00	33.40	39.10	34.00
<b>C</b>	33.80	33.70	30.30	35.00
<b>D</b>	17.40	19.60	14.50	17.60
<b>E</b>	4.30	4.20	4.30	4.70
<b>F</b>	1.50	2.10	1.90	2.10
<b>NG</b>	0.10	0.20	0.20	0.20

### 3. ANALYSIS OF PAPER

A report follows on each question on the paper. The popularity rating and average mark given for each question are based on a sample of scripts from all examiners and should be used as a general guideline only.

Question	Popularity/Rank Order	Average Mark Earned	Average % Earned
Section A	Obligatory	65	65
<i>Question 1</i>	1	40	67
<i>Question 2</i>	8	26	43
<i>Question 3</i>	4	43	72
<i>Question 4</i>	5	29	48
<i>Question 5</i>	2	39	65
<i>Question 6</i>	7	41	68
<i>Question 7</i>	3	40	67
<i>Question 8</i>	6	37	62

### SECTION A

1. This was well answered. The EU was well known; AGM was sometimes confused with ATM or omitted.
2. This was very well answered but a minority of students just wrote the company names instead of products.
3. Answering here was mixed. Many candidates multiplied £1,000 by 2.50; others had problems with decimal point.

4. This question was generally well answered. Some named IRFU as a trade union.
5. This was poorly answered. Many confused Factors of Production with Marketing Mix.
6. Many candidates omitted this question. Others gave Customer instead of Consumer.
7. This was fairly well answered but, as in previous years, some put the first names in alphabetic order.
8. This was fairly well answered. Many gave Ryanair as a semi-state company.
9. This question was generally well answered, but some candidates mixed up VAT and Income Tax.
10. Answering was poor. Many did not know the document but some gained marks for part (b).
11. Answers here were mixed and there was evidence of guesswork. Many candidates included closing stock in P & L a/c.
12. More guesswork was evident in answers to this question. Candidates had problems with 'shop steward', but most managed 3 marks out of 5.
13. This was fairly well answered but many candidates thought selling to France was a visible import.
14. This was well answered. Some forgot to add the interest. Others thought 5% was one-fifth. But many students were able to gain marks with their workings.
15. While answering here was mixed, there was some improvement on other years. IR£16 was a common error.
16. Answering was mixed. 'Manufacturer' caused problems for many.
17. This was well answered by most candidates. Some chose the 'plastic bottles' option.
18. This was generally well answered but some candidates had difficulty with Canada and/or Austria..
19. Answering was mixed. Most candidates had incorrect Cost of Sales (due to adding of closing stock), but earned 3 marks for their correct procedure in arriving at Gross Profit.
20. Almost everyone knew the Balanced Budget but many confused Surplus with

Deficit.

## **SECTION B**

### **Q. 1 HOUSEHOLD BUDGET**

This question was the most popular question in Section B again this year. Part (a), the household budget, was generally well done, but almost every candidate lost marks in parts (b) and (c). Common errors included:

- (a) House Rental increase not continued in August;  
House Contents Insurance incorrectly calculated;  
Telephone costs also caused problems. Mobile costs not included monthly; Holiday Deposit in June included again in August figure;  
Errors in totalling rows and columns;  
Miscalculation of Net Cash.

There was some improvement on other years in calculation of Opening and Closing Cash lines.

- (b) Only a small minority had this correct, but many students gained 3 marks for an answer of IR£2,215.
- (c) This section was very poorly answered. Most students subtracted the figures. As in previous years, hardly anyone had the correct answer. Many omitted this part.

### **Q. 2 OPERATING STATEMENT & BALANCE SHEET**

This was by far the least popular question. But this year, its popularity declined considerably, from 26% in 1999 to 16%. While the average mark was low, the spread of marks was wide with some students scoring well and others very badly.

- (a) Many students combined the Operating Statement and Balance Sheet into one statement.
- (b) While most of those who attempted it earned some marks, the explanation of bank overdraft was generally poor.
- (c) Three reasons were required here but most students gained marks for only one or two, usually because of repetition.

### **Q. 3 LETTER & RATES OF EXCHANGE**

- (a) The letter was usually well laid out. Common errors included:
- reference omitted by the vast majority, as in previous years;
  - the amount in Sterling often omitted;
  - addresses transposed by some candidates;
  - poor spelling, grammar and punctuation.
- (b) Many had difficulty with the currency calculation, multiplying by 0.80 instead of dividing. Others multiplied by 0.20.
- (c) Candidates had no difficulty in correctly identifying the Euro.

### **Q. 4 BANKING**

This was a popular six-part question with most candidates obtaining all their marks from the first four parts. The standard of answering for the final two parts (Bank Account and Bank Reconciliation Statement) was very poor, consequently the average mark was the second lowest on the paper.

The fact that space was allocated at the end of Section A to write in the answers to this question probably contributed to its popularity.

- (a) This part was well answered.
- (b) Many candidates thought or guessed wrongly that it was a Deposit Account.
- (c) Most candidates did well here as only two simple points were needed to get 10 marks.
- (d) Although most candidates gained marks here, many did not fully understand the direct debit.
- (e) Most students re-wrote the original Bank Account here and did not enter the ESB direct debit that was required.
- (f) The Bank Reconciliation was rarely attempted. Only a few candidates had it correct. It seemed that most students did not understand the concept of bank reconciliation.

## **Q. 5 BUSINESS DOCUMENTS**

- (A) Most students were able to give at least 3 out of 4 methods here.
- (B) Invoice - common errors included:
- "Your Order No." very often incorrect.
  - Wrong address. Invoice sent to Leisure Wholesalers!
  - Extra line of goods (Roscommon Jerseys) included on Invoice by too many candidates who failed to read the question fully.
  - Trade Discount amount shown as a percentage.
  - VAT amount deducted.
  - Mathematical miscalculations.
- (C) While most candidates gained reasonable marks here, the completion of the cheque and counterfoil was generally below the expected standard. Most candidates omitted at least one of the required details. A significant number left out the payee's name. Other items often omitted or incorrect included the date, drawer's signature and final balance on the counterfoil.

## **Q. 6 CLUB ACCOUNTS**

Despite the low response rate for this question the average mark earned was quite good.

- (a) Many students omitted the title of the Receipts and Payments Account. The fact that the analysis columns were on supplementary stationery did not seem to cause any inconvenience. While some candidates made use of the supplementary stationery, the majority ruled their own columns. It seems that many teachers use this practice of getting the students to rule their own columns in the classroom. Candidates generally scored well in this account, but some did not include any analysis columns.
- (b) Many candidates were able to gain good marks in calculating the surplus on competitions, but it caused problems for those who did not understand what was required.
- (c) The same applies to the surplus on discos.
- (d) Most candidates were able to state one or two duties of a treasurer. Some candidates resorted to repetition and failed to state three duties. Some students confused the duties with those of a secretary.

## **Q. 7 BORROWING**

- (a) As in previous years, nearly all who completed the Loan Application Form obtained high marks. Those who lost marks entered their own personal details. Common errors included:
- entering monthly instead of annual figures for loan repayments;
  - incorrect net salary per month;
  - incorrect "details of other existing loans";
  - incorrect date.
- (b) The calculation of total interest proved difficult for many students, but most of those who attempted it were able to gain 3 or 4 marks from their workings.
- (c) Most students showed a reasonable understanding of the terms to be explained without always giving a detailed explanation. Many stressed the rental aspect of a HP agreement without mentioning the purchase element. The long-term aspect of a mortgage was not mentioned by many. Some mixed up debtor with creditor. Explanations of bankruptcy were often vague.

## **Q. 8 INFORMATION TECHNOLOGY**

Considering the widespread popularity of computers among young people, this question was not very popular.

- (a) Candidates did well here, with many getting full marks and the majority getting at least 6 statements correct out of 10. Those who lost marks had problems with keyboard, word-processing, database and proofreading.
- (b) Most candidates knew about IT in supermarkets, but some concentrated on the advantages of a computer in a supermarket, while others named equipment without any explanation of its use.
- (c) Floppy disk, ATM and scanner were the most popular choices of the terms to be defined. Although it was obvious that candidates had some understanding of the terms, some had difficulty expressing this understanding in written terms.

## **4. OVERALL GENERAL COMMENT**

Examiners felt that the examination paper was fair and suitable for Ordinary Level candidates. Candidates showed that they were familiar with the language used and the layout of the paper. Apart from question 3 - writing a letter, the most popular questions were those where the answers could be written in on the returnable section A. The questions with a bookkeeping element were again unpopular. The range of scores attained by candidates in these questions indicates different levels of

preparedness with respect to this topic. Poor knowledge of the bookkeeping elements of the syllabus also affected the average mark attained by candidates in question 4 - Banking. Many students who attempted this question were unable to complete parts (E) and (F) the bookkeeping elements.

A large number of candidates who did not attempt 5 questions in section B obtained a grade E or less. Examiners noted that some candidates answered two or three questions reasonably well and then did not attempt any further questions and consequently failed to achieve a grade D or above.

Approximately 25% of candidates attempted at least one extra question.

## **5. RECOMMENDATIONS FOR TEACHERS AND STUDENTS**

- It is always important for the candidate to read each question carefully and make full use of the time allocated in the examination.
- Candidates are encouraged to answer the required number of questions in order to maximise the marks attained.
- Candidates are encouraged to answer all parts of the question in order to maximise the marks attained.
- Teachers are asked to emphasise to candidates the importance of bookkeeping.