

**Annual Examinations for Secondary Schools 2018**

**YEAR 9**

**BUSINESS STUDIES**

**TIME: 1h 30min**

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

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

**FOR OFFICIAL USE ONLY**

**MARKS**

<b>SECTION</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E1</b>	<b>E2</b>	<b>F</b>	<b>PROJECT</b>	<b>TOTAL</b>
<b>MARKS</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>10</b>	<b>25</b>	<b>25</b>	<b>10</b>	<b>15</b>	<b>100</b>
<b>STUDENT'S MARK</b>									

**SECTION A – Tick (✓) the correct answer in the space provided. [5 marks]**

1. Ruth comes from a country in which private firms take an important part in the economic activity. However, the government is also highly involved in economic activity. What type of economic system is Ruth’s country adopting?
- (a) Command economy.
  - (b) Market economy.
  - (c) Mixed economy.
  - (d) Subsistence economy.
2. In which sector of production would you classify the job of a fisherman?
- (a) Primary sector of production.
  - (b) Secondary sector of production.
  - (c) Tertiary sector of production.
  - (d) Manufacturing and construction stage of production.
3. The government has to choose between building a new school and building a new hospital. If the government chooses to build the new school, then the government’s opportunity cost will be:
- (a) The new cinema.
  - (b) The profit of the business.
  - (c) The new school.
  - (d) The new hospital.
4. An example of skilled labour is:
- (a) Teacher.
  - (b) Cleaner.
  - (c) Cash register.
  - (d) Receptionist.
5. Mario buys fruits and vegetables, for his personal consumption, directly from the farmer. Which chain of distribution is being followed?
- (a) Manufacturer → Wholesaler → Retailer → Consumer.
  - (b) Manufacturer → Retailer → Consumer.
  - (c) Manufacturer → Wholesaler → Consumer.
  - (d) Manufacturer → Consumer.

**SECTION B****[5 marks]**

Fill in the blanks below with the appropriate words or terms from the list. Each term can be used once only. There are three extra words which are not to be used.

limited liability	partnership	unlimited liability	profit
basic needs	sole trader	capital	loss

Mr. J. Galea started a confectionery business on his own as a \_\_\_\_\_ . To raise \_\_\_\_\_ for the business, he used his personal savings and borrowed a sum of money from the bank. The main advantage of this type of business is that all the business' \_\_\_\_\_ belong to the owner. However, since this type of business has \_\_\_\_\_, if the business fails, Mr. J. Galea may lose his personal possessions. Mr. J. Galea is planning to ask Ms. P. Testa to join him in business in order to form a \_\_\_\_\_ .

**SECTION C****[5 marks]**

Match the following terms by writing down the appropriate number in the middle column. The first one has been done for you.

0.	Marketing department		Prepares the firm's accounts in accordance to the laws.
1.	Research and development department		Manufactures the business' products.
2.	Production department		Keeps records of all employees.
3.	Human resource department		Buys all items that the business needs.
4.	Finance department	<b>0</b>	Informs possible customers about products and persuades them to buy.
5.	Purchasing department		Finds out new production techniques for the business to lower its production costs.

**SECTION D**

**[10 marks]**

**State whether the following statements are TRUE or FALSE. If a statement is FALSE, you are required to give the correct answer. The first two have been done for you.**

a) Capital goods are goods used by people at home or during their leisure time.

FALSE. Capital goods are goods used by businesses to produce other products.

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b) One of the main functions of a wholesaler is to break bulk.

TRUE.

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c) Labour, as a factor of production, refers to the land that the business stands on.

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d) Douglas Mc. Gregor theory of motivation mentions theory X and theory Y.

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e) Services are tangible objects that can be passed on to others.

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f) A democratic manager takes all decisions for the business without considering workers' ideas.

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- g) A pricing strategy, which is referred to as penetrating the market, occurs when a business sells a product at a lower price than its competitors.

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- h) In a market economy all the country's resources are owned by the government.

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**SECTION E**

**[50 marks]**

**Answer these questions on the foolscaps provided. Each question carries 25 marks.**

**1. – Read the following statement and answer the questions that follow:**

Unemployment is a wastage of resources. This occurs when workers, as one element of the factors of production, are temporarily idle. To eliminate this problem, the government encourages private entrepreneurs to open new businesses or expand their existing business. By so doing, new job vacancies will be created, which will then reduce the number of unemployed persons because new businesses will make the necessary recruitment.

- a) Give the meaning of the underlined words, in the above passage. (5 marks)
- b) There are various types of unemployment. Mention and explain three of them. (6 marks)
- c) i. What is the purpose for a business to do a job advert? (1 mark)
- ii. What is the difference between job description and job specification? (2 marks)

- iii. From the below job advert, find two examples of job specification and two examples of job description. (4 marks)

**Our company, a leading importer of cars  
is in the process of  
recruiting a SECRETARY**

***The chosen candidate should perform the following duties:***

- Handling correspondence with foreign suppliers
- Maintaining department schedules
- Answering or referring inquiries
- Preparing reports by collecting information
- Securing information by completing database backups

Candidates must demonstrate good communication and organisational skills and they should also be in possession of an A' level standard of education or secretarial certificate. Computer knowledge is essential.

Send your letter of application and Curriculum Vitae (CV) to recruitment@abcltd.com.mt.

- d) The C.V. should be sent together with a letter of application when a person wants to apply for a job.
- i. What is the difference between a C.V. and a letter of application? (2 mark)
- ii. Mention three pieces of information that are found in a C.V. (3 mark)
- e) Give two reasons for the importance of holding interviews when business owners want to employ new works. (2 marks)

**2 – Read the following statement and answer the questions that follow:**

To understand well the term 'marketing', you should have good knowledge of the marketing mix as this describes all the activities which go into marketing a product.

- a) The marketing mix is made up of the 7P's. Mention **five** components that make up the marketing mix and explain **three** of them? (8 marks)
- b) Why do you think marketing is important to a business? (1 mark)

- c) i. What is advertising? (1 mark)  
 ii. Distinguish between informative advertising and persuasive advertising. (2 marks)  
 iii. Which type of advertising do you recommend? Why? (2 marks)  
 iv. Give one advantage and one disadvantage of advertising a product on television rather than on radio. (2 marks)  
 v. Mention one advantage and one disadvantage of advertising. (2 marks)
- d) i. What is the meaning of sales promotion? (1 mark)  
 ii. Give two examples of sales promotion. (2 marks)
- e) The four main parts that make up the channel of distribution are manufacturer, wholesaler, retailer and consumer. Explain the underlined terms. (4 marks)

## SECTION F

[10 marks]

**Choose ONE of the following, and answer the questions about it on the foolscaps provided.**

### 1.

- a) The below diagram shows the basic ingredients in every communication process:-

**T-----M-----M-----R**

For what do the letters **T, M, M and R** stand? (4 marks)

- b) What is feedback? (1 mark)  
 c) Distinguish between one way and two way communication. (2 marks)  
 d) Explain the following terms:  
 i. Agenda  
 ii. Minutes  
 iii. Non-verbal communication. (3 marks)

### 2.

- a) What is a partnership? (1 mark)  
 b) Mention two items that should be included in a partnership agreement (partnership deed). (2 marks)  
 c) What is the difference between a general partnership and a limited partnership? (2 marks)  
 d) What is a dormant partner (sleeping partner)? (1 mark)  
 e) Give two advantages and two disadvantages of a partnership business. (4 marks)

### 3.

What is the difference between

- a) wants and needs? (2 marks)  
 b) private sector and public sector? (2 marks)  
 c) centralisation and decentralisation? (2 marks)  
 d) geographical mobility of labour and occupational mobility of labour? (2 marks)  
 e) quotation and order? (2 marks)