



*Let the mind manage the body
Que l'esprit gère le corps*

**MAURITIUS
EXAMINATIONS
SYNDICATE**

**NCE 2024
GRADE 9**

**BUSINESS & ENTREPRENEURSHIP
EDUCATION**

Subject code: N560

BUSINESS & ENTREPRENEURSHIP EDUCATION (BEE)

The Business & Entrepreneurship Education (BEE) curriculum comprises three distinct but interrelated subjects namely Business & Enterprise, Economics and Accounting.

The NCE- BEE 2024 paper is based on the Teaching and Learning Syllabus Grades 7 – 9 of the MIE¹. The assessment paper was solely based on the content of the Grade 9 syllabus as stipulated in the assessment documents and guidelines.

Candidates were assessed according to **four assessment objectives (AOs)**. Approximately 50% of the marks on the paper are for demonstrating knowledge and understanding (AO1), 20% for application of knowledge (AO2), 20% for analysis (AO3) and 10 % for evaluation (AO4).

Under **AO1 (Knowledge and Understanding)**, candidates were expected to demonstrate knowledge and understanding regarding:

- Entrepreneurship / Business / Economics / Accounting terms, facts, concepts, words, conventions, skills, terminology and definitions;
- business management skills and functions.

Under **AO2 (Application of Knowledge)**, candidates were expected to demonstrate their ability to:

- apply their knowledge and understanding of facts, terms, concepts and techniques with respect to a particular individual, enterprise or business and country.

Under **AO3 (Analysis)**, candidates were expected to demonstrate their ability to:

- analyse the key factors that cause the success/failure of an enterprise;
- order, analyse and interpret information in narrative, numerical and graphical forms using appropriate techniques;
- distinguish between evidence and opinion in a business/enterprise context;
- analyse data and information.

Under **AO4 (Evaluation)**, candidates were expected to demonstrate their ability to:

- use their knowledge and skills to evaluate situations and problems related to a particular individual, business/enterprise or country;
- present reasoned explanations and understand implication of business decisions;
- solve problems, make judgements and decisions.

¹ Mauritius Institute of Education

The NCE Examiners' report for Grade 9 BEE offers valuable feedback on the performance of candidates and is meant to guide future candidates in their preparation for the NCE assessment.

This report should be read in conjunction with the published question paper for the assessment available on the MES website.

PAPER OVERVIEW

The BEE paper has 2 sections; **Section A** (Business/ Enterprise/Economics presented in an integrated manner) and **Section B** (Accounting as a stand-alone subject).

Section A comprises 5 questions and Section B comprises 3 questions with sub-parts presented in a graded fashion in terms of difficulty level. The paper consists of a range of different types of questions which includes multiple choice items (MCQs), matching, fill-in-the-blanks, alternative response, short answer and open-ended questions based on contextualised case scenarios, as shown in **Table 1**.

Table 1

Question	Type of Question	Marks Allocated
Section A: Business/Enterprise/Economics (65 marks)		
1	MCQs, Fill-in-the-blanks & Matching	22
2	Choosing from a set of given words, True/False & Identification of the features of a company	11
3	Circle the correct option, Tick the correct answers, Open ended questions and identification of different types of risk based on a mini case scenario-Karen Melissa Farm.	12
4	Short answer and open-ended questions based on a mini case scenario-Refurbished Mobile Shop.	11
5	Short answer and open-ended questions based on a mini case scenario-Boba Drink Fiesta.	9
Section B: Accounting (35 marks)		
6	MCQs, matching, fill-in-the-blanks & complete table with 'Accounts to be debited and Accounts to be credited'.	18
7	Prepare Cash Account and balancing it off, posting appropriate items to Purchases Account, and Kung-Fu Account (Trade Payable).	7
8	An open-ended question and completion of the Statement of Financial Position.	10

Candidates were allowed to use calculators for BEE.

KEY MESSAGES

SECTION A: BUSINESS / ENTERPRISE / ECONOMICS

- Many candidates were well prepared for Section A. Questions 1 and 2 were generally well attempted by most candidates.
- Question 3 was also well attempted by many candidates. However, for part 3(b), some candidates ticked more than two boxes. Moreover, part 3(c) pertaining to responsibilities of entrepreneurs posed some challenges. Many candidates were confused between responsibilities and functions of an entrepreneur.
- Some difficulties were observed for open-ended questions 4(c), 4(d), 4(e), 5(a)(iii) and 5(b). While some candidates effectively applied their understanding of BEE concepts to the mini case scenarios in questions 4 and 5, the majority of other candidates replicated answers from the textbook or copied the exact wordings from the given case scenarios without any attempt to apply their knowledge and understanding to the specific cases.
- For open-ended questions, candidates should be encouraged to demonstrate their application skills so as to gain maximum marks. For instance, in questions 4 & 5 they are directed to relate their answers to the specific enterprise / entrepreneur / country mentioned in the mini case scenarios.

SECTION B: ACCOUNTING

- Some candidates demonstrated good knowledge and understanding of the concepts/principles as outlined in the syllabus and they scored the maximum marks in Section B. However, there are specific syllabus areas where candidates need more understanding (in terms of concepts and principles) and practice.
- Question 6D, 'state which account should be debited and which account should be credited' proved to be the most challenging part-question of question 6.
- For question 7, many candidates faced difficulties in posting entries in the Cash, Purchases and Kung-Fu accounts. Moreover, a significant number of candidates did not score the mark for balancing the Cash Account. A lack of mastery of the principle of double-entry was observed for many candidates.
- For question 8, 'prepare Emmanuel's Statement of Financial Position', many candidates were not able to fill the missing entries in the given template. This denoted a lack of understanding of the Statement of Financial Position and the terminologies related to it.

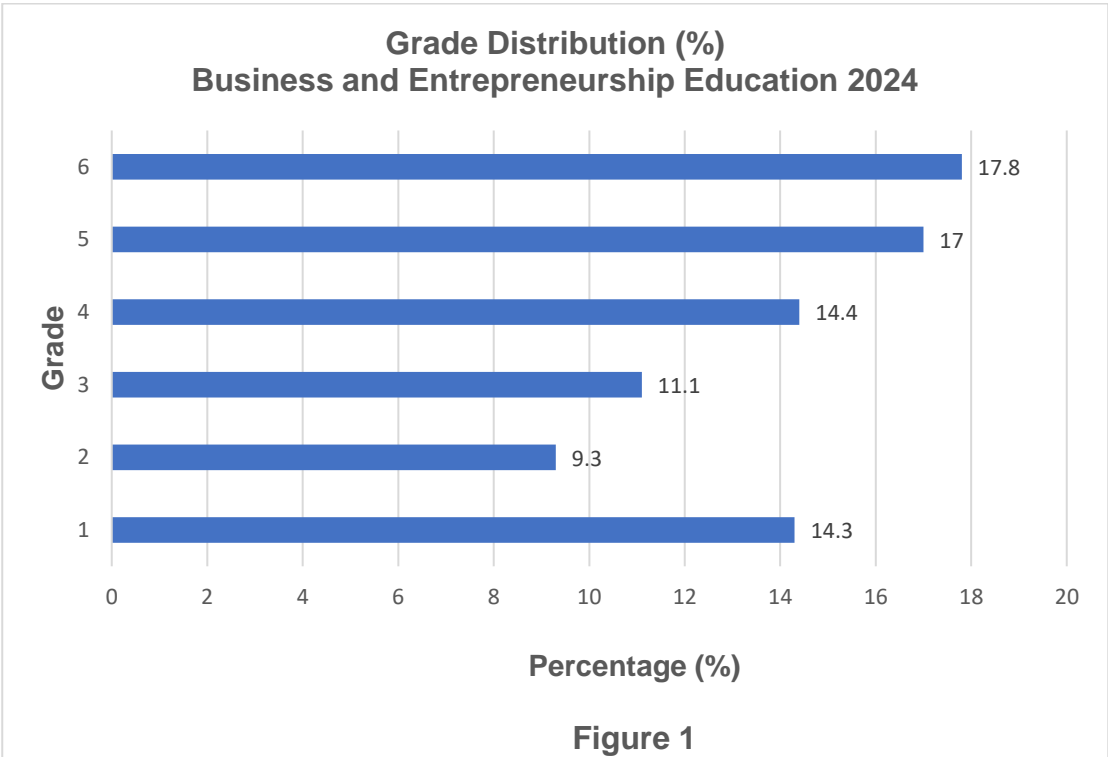
OVERALL

- It is crucial that candidates read questions carefully as they tend to lose marks due to misinterpretation or misreading of questions altogether.
- Language still seems to be a barrier for candidates to express themselves in open-ended questions. Some answers were very ambiguous as Examiners could not understand what the candidates wanted to express. Moreover, a few answers were written in French or Creole.
- Candidates must be able to differentiate between different command words used in open-ended questions, such as “State” and “Explain”.

GENERAL COMMENTS

In 2024, the fourth edition of the National Certificate of Education (NCE) assessment was administered.

The performance of candidates for the 2024 NCE assessment in BEE is encouraging with an overall pass rate of 83.8 %. 10527 candidates out of 12556 who were assessed for BEE in 2024 obtained Grade 6 or better in the subject. The grade wise performance of candidates for BEE is shown in **Figure 1**.



SECTION A

Question 1A- Multiple Choice Questions

Question 1A consists of 10 multiple choice questions which ensured a broad coverage of **Units 1 to 9** of the syllabus.

<i>Item Number</i>	<i>Key</i>	<i>Most common incorrect choice</i>
1	C	A
2	A	D
3	B	C
4	D	A
5	B	A
6	C	A/D
7	B	C
8	A	B
9	C	B
10	D	A

Generally, MCQs were well attempted by most candidates. Items 2, 5, 6 & 10 proved to be the most accessible items. However, items 1, 3, & 9 were found to be the more challenging to candidates.

Comments on specific items for Question 1A

Item 1 was a relatively easy knowledge-based question pertaining to private limited company.


1. Which form of business organisation sells shares to relatives and friends?


- A Public Limited Company
- B Franchise
- C Private Limited Company
- D Cooperative


Candidates were required to identify the form of business organisation which sells shares to relatives and friends. Whilst nearly two thirds of the candidate population could identify the answer key C – ‘Private Limited Company’, option A – ‘Public Limited Company’ was a major distractor. This confusion may have arisen as both private and public limited companies sell shares.


Item 2 which was a pictorial knowledge-based question pertaining to ‘stakeholders’ was fairly attempted by most candidates.

2. Who **runs** and **controls** an enterprise?

A 
Managers

B 
Consumers


C 
Suppliers

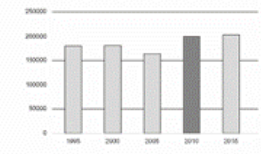
D 
Employees


This question was one of the most well attempted MCQ item. More than 90 % of the candidate population chose the answer key A – ‘Managers’. Option D – ‘Employees’ was the most common incorrect choice. This may be because even employees work in an enterprise.


Item 3 was a pictorial knowledge-based question on methods of communication.

3. Which of the following is an example of **visual communication**?

A  A report

B  A chart

C  A meeting

D  A handshake

Many candidates correctly identified the answer key B – ‘A chart’ as an example of visual communication. However, option C- ‘A meeting’ was a major distractor.

Item 4 was another knowledge-based question with a picture illustrating effective communication between a sender and a receiver.

4. **Figure 1** shows the process of effective communication.

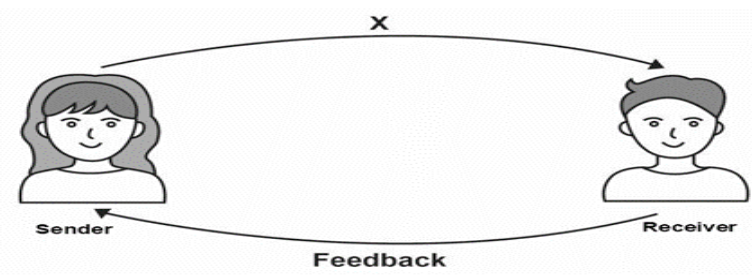


Figure 1: Effective Communication

What does **X** represent in **Figure 1**?

A Medium
B Transmitter
C Recipient
D Message

This item was well attempted by many candidates who opted for Option D - ‘Message’. Many candidates were confused with Option A - “Medium” as medium is also an important element in the process of effective communication between a sender and a receiver.

Item 5

5. The **law of demand** states that when price falls, quantity demanded
- A** falls
 - B** rises
 - C** remains the same
 - D** becomes zero

This question was the second most well attempted MCQ item. Being a direct knowledge-based question pertaining to the law of demand, it was easily attempted by more than 80 % of the candidate population who chose the key B- 'rises'. However, few candidates opted for option A – 'falls'.

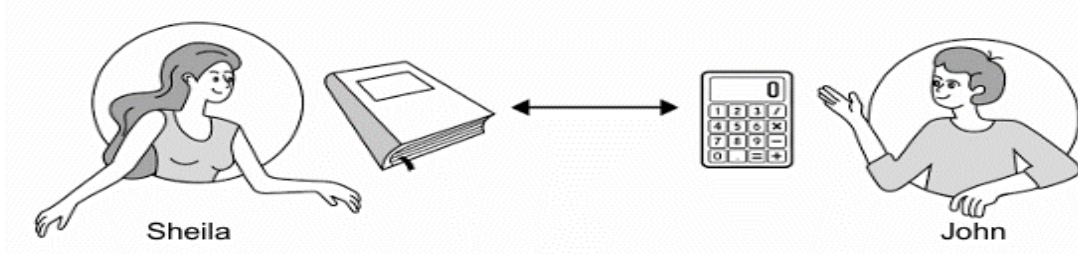
Item 6 was answered correctly by nearly three quarters of the candidate population who were able to link borrowing to option C- 'a loan'.

6. Money which is borrowed is known as
- A** interest
 - B** savings
 - C** a loan
 - D** an income

However, a handful of candidates went for option A- 'Interest', as borrowing is associated with interest.

Item 7 required the candidates to understand the concept of 'Barter system'.

7. Sheila exchanges a book against a calculator with John.



This is an example of a

- A** metallic money
- B** barter system
- C** cashless society
- D** commodity money

This item was well answered by many candidates who chose answer key B- 'barter system', as the concept was clearly illustrated in the given picture. However, option C- 'cashless society' was a major distractor as cash was not shown in the picture.

Item 8 being a direct and easy knowledge-based question pertaining to the concept of selling was satisfactorily answered by more than 70 % of the candidate population, who opted for the answer key A- 'Selling'. Option B- 'Marketing' was a strong distractor.

8. is concerned with exchanging a product for cash.

- A** Selling
- B** Marketing
- C** Market research
- D** Buying

Item 9 pertaining to the function of a central bank proved to be one of the most challenging MCQ questions.

9. Which one of the following is a function of a **central bank**?

- A Providing advice to customers
- B Accepting deposits from individuals
- C Keeping currency reserves
- D Assisting customers in making payments

Around 50 % of the candidate population did not choose the answer key C- 'Keeping currency reserves'. Nearly one quarter of the candidate population wrongly opted for Option B 'Accepting deposits from individuals'. Option B was a major distractor as many candidates recognised it as a major function of a bank -failing to realise that the question is on central bank not commercial bank.

Item 10 was a pictorial knowledge-based question which was successfully attempted by nearly 75 % of the candidate population who chose the answer key D – 'home trade'.

10. Shameer, who lives in Moka, buys a basket from Rita's shop in Port Louis.

The diagram illustrates a transaction between two individuals, Shameer and Rita. On the left is a box containing an illustration of a man labeled 'Shameer'. On the right is a box containing an illustration of a woman labeled 'Rita'. Between them are two boxes. The top box, labeled 'Buys a basket', shows a wicker basket and has an arrow pointing from Rita to Shameer. The bottom box, labeled 'Pays money', shows several banknotes and has an arrow pointing from Shameer to Rita.

This is an example of

- A international trade
- B export
- C import
- D home trade

The stem of the question, mentioning the words 'Moka' and 'Port Louis' helped candidates to recognise that the transaction was within Mauritius. The most common distractor was option C- 'Import'.

Question 1B- Fill in the blanks

The fill in the blanks question was generally well attempted by candidates. Around 40 % of the cohort scored full marks and nearly 90 % were able to score at least 2 out of 4 marks. Item 3 on topic 'International trade' was the most well answered part of question 1B whereas Item 2 was the most challenging part.

For **Item 1**, nearly 30 % of the cohort were confused between limited and unlimited liability and could not score.

1. Members of a cooperative have liability.
(limited, unlimited)

For **Item 2**, more than 30 % of the cohort were not able to differentiate between internal and external communication.

2. communication takes place when the owner of an enterprise sends an email to a supplier. **(Internal, External)**

For **Item 3**, more than 80 % of the cohort made the right choice 'outflows'. These candidates were able to realise that when purchases are made with a foreign country-India, money goes out of Mauritius.

3. The purchase of pickles from India represents money for Mauritius. **(inflows, outflows)**

For **Item 4**, nearly 75 % of the cohort opted for the correct answer 'conflict'.

4. Poor communication between an owner and their employees is an example of a **(conflict, risk)**

Question 1C – Matching

Generally, most candidates were able to get through this question without much difficulty as simple terms were involved and they were supported with relevant pictures.

Part 1C (i)

Part 1C (i) was based on several topics and aimed at assessing the candidate's ability to match each term to its corresponding picture. Nearly 65 % of the candidate population were able to score full marks. Moreover, above 90 % of the cohort scored at least 2 out of 4 marks. Item 4- 'Franchise enterprise', was the most well answered item whereas Item 3- 'A banker for the Mauritian government' was the least well answered item. It seems that some candidates were confused between a commercial and central bank.

Part 1C (ii)

Part 1C (ii) was based on 2 topics; 'Marketing' and 'Spending, Savings and Borrowing' and aimed at assessing the candidates' ability to match each term to its corresponding description/ definition. All items were generally well answered with more than 90 % of the candidate population scoring full marks.

Question 2(a) – Choosing the correct terms from list of given words.

This was a scoring knowledge-based question on the topic 'Demand and Supply'. Candidates performed well on this part question, which required them to relate each of the given pictures (with descriptions) to the correct key terms. Nearly 80 % of the candidate population scored full marks. However, around 20 % of the cohort scored either 1 or no mark.

A handful of candidates were confused between the terms Demand Curve and Supply Curve. They did not pay attention to the direction of the curves or simply did not understand the descriptions.

Question 2 (b) - True/False

This knowledge-based part question was satisfactorily attempted by most candidates. Around 40 % of the candidate population scored full marks and more than 85 % were able to score at least 3 out of 5 marks.

Item 1- 'A franchisee pays a license fee to a franchisor' was generally well attempted by most candidates. However, some candidates were confused between a franchisor and a franchisee.

Item 2- 'International trade helps to create jobs' was well answered by nearly three quarters of the candidate population.

Item 3- 'Enterprises supply more products when prices fall.' was the least well attempted one as many candidates failed to understand the difference between the Law of Demand and the Law of Supply.

Item 4- 'Promotion is an element of marketing.' was the most well attempted one as candidates were familiar with the 4Ps.

Item 5- 'Money must be unlimited in supply to retain its value' was not well attempted by nearly one quarter of the candidate population. Many candidates ignored the word 'unlimited'.

Question 2(c) – Tick the boxes

This was a knowledge-based question on 'Business Organisations-Company'. Candidates were required to identify three features of a company from a set of 5 options. Around 45 % of the cohort were able to score full marks. Moreover, nearly 85 % of the cohort scored at least 2 out of 3 marks.

The most common mistake observed was candidates ticking the box with the statement 'Owners have unlimited liability'. Differentiating between limited and unlimited liability is a problem for many candidates.

It was also observed that some candidates ticked more than 3 boxes.

Question 3

Question 3 consisted of objective type and short answer questions based on a mini case study for the enterprise of Karen Melissa Farm (KMF). Around 20 % of the cohort were able to score full marks whereas nearly 80 % were able to score at least 6 out of 12 marks.

Part 3(a) – Circle the correct answer

This was an easy knowledge-based MCQ which was well attempted by more than 85 % of the candidate population.

(a) Circle the correct answer.

A business organisation is an enterprise which provides goods and
to consumers.

A wants
B services
C needs

Part 3(b) - Qualities of an entrepreneur

This part question was quite well attempted as options were given and the candidates simply had to tick the two correct boxes from the options given. Around 70 % of the cohort scored full marks while nearly 30 % scored only 1 mark.

(b) Successful entrepreneurs have a number of qualities.

Tick (✓) **two qualities** that Karen Melissa has as an entrepreneur.

Humorous	<input type="checkbox"/>
Passionate	<input type="checkbox"/>
Self-confident	<input type="checkbox"/>
Risk-averse	<input type="checkbox"/>

[2]

The option 'Risk-averse' confused a few candidates who were not able to understand the word 'averse'. Moreover, a handful of candidates wrongly ticked more than 2 boxes.

Part 3 C - Responsibilities of an entrepreneur

This was a straight forward knowledge-based part question on the responsibilities of Karen Melissa as an entrepreneur but it proved to be a challenging one for many candidates. Only around 30 % of the candidate population were able to correctly list the three responsibilities of an entrepreneur and scored full marks. Nearly 35 % of the cohort were not able to score any mark while 28 % scored only 1 mark. Confusion between 'responsibilities' and 'functions' of an entrepreneur was obvious among many candidates. Moreover, a handful of candidates lifted words directly from the case or provided far-fetched answers such as 'loving animals'.

Part 3 d - Factors affecting borrowing

Candidates were required to tick three boxes showing factors which affect borrowing from a set of 5. This was a knowledge-based part question which was generally well-attempted by many candidates. Around 85 % of the cohort were able to score at least 2 out of 3 marks.

Part 3 (e) - Identifying the corresponding Business risks

This part question assessed the candidates' ability to identify the type of risk involved for each of the three descriptions.

		Financial	Operational	Compliance	Strategic
Description		Type of Risk			
1.	Failing to follow laws and regulations				
2.	Setting poor business objectives				
3.	Poor running of daily activities				

[3]

Only around 50 % of the candidate population were able to score full marks and nearly 20 % did not score any mark. Many candidates showed poor understanding of the different types of risks or simply had a poor revision of this topic.

Question 4

This question consisted of short- answer and open-ended items based on a contextualised case scenario for Refurbished Mobile Shop. It assessed the candidates according to AO1-Knowledge and Understanding, AO2-Application and AO3-Analysis.

Part 4 (a) – Define the term ‘product’.

This part question was well attempted by nearly 50 % of the cohort who scored full marks. Those who scored 1 mark out of 2 provided vague or part answers such as ‘a product is a good or service’. However, around 25 % of the cohort were not able to score any mark.

Part 4 (b) – State two promotional strategies that Ricardo may use.

This part question was a knowledge-based question which required candidates to state two promotional strategies that Ricardo may use. It was generally well attempted as nearly half of the candidate population scored full marks. A handful of candidates provided examples of promotional strategies for which marks were credited. Some candidates failed to score full marks as they provided repetitive examples of particular promotional strategies.

Part 4 (c) – Explain the term ‘competitive pricing’.

Although this was a knowledge-based question, nearly half of the cohort were not able to score any mark. Only around one third of the cohort provided a complete and concise explanation of the term ‘competitive pricing’ and scored full marks. Many candidates failed to relate the term ‘competitive’ to ‘other businesses or similar products’.

Part 4 (d) – Identification and explanation of one factor affecting price

(d) Identify and explain one factor that Ricardo needs to consider while setting the price of the mobile phones.
Factor: [1]
Explanation:
.....
..... [2]

This part question proved to be a challenging one for most candidates who scored only 1 or no mark. More than 50 % of the candidate population were unable to identify a factor that Ricardo should consider while setting the price of his mobile phones. Only a few candidates scored full marks by identifying a correct factor influencing price and providing a valid explanation for that factor, applied to the context. Common mistakes included a mismatch between the factor identified and the explanation given. Some answers were ambiguous while others were too vague. Some candidates did not attempt this part question.

Part 4 (e) – One factor influencing the choice of a new channel of distribution

(e) Ricardo is considering changing his channel of distribution to reach more customers.

Explain **one** factor that Ricardo might consider when choosing a new channel of distribution.

.....

.....

.....

..... [2]

This part question proved to be the most challenging one for Section A. It was an applied question where a factor influencing the choice of a new channel of distribution had to be explained in the given context. It was generally not well attempted by most candidates as nearly three quarters of the cohort did not score any mark. Most candidates failed to identify a factor influencing the channel of distribution. Moreover, candidates who scored 1 over 2 marks gave general answers where only the factor was explained without any attempt to apply it to the given context. Many vague and wrong responses were also observed. Some candidates left this part question unanswered.

Question 5

Question 5 consisted of short- answer and open-ended questions based on a mini case scenario for the enterprise – Boba Drink Fiesta. It aimed at assessing the candidates’ ability to recall and apply their knowledge and understanding on the topics of ‘Business Plan’ and ‘Demand and Supply’.

Question 5 (a) (i) – Explain the term ‘business plan’.

This was a straight forward knowledge-based part question, requiring the candidates to recall the definition of a business plan. It was attempted fairly well by nearly 60 % of the candidate population who were able to score at least 1 out of 2 marks. However, many incomplete definitions were provided by candidates.

Question 5 (a) (ii) – Components of a business plan

This was a knowledge-based part question where candidates were required to identify two components of a business plan. It was not well attempted by around 70 % of the candidate population who did not score any mark. Many candidates provided the details found under the two components of a business plan instead of stating the components themselves. For example, many candidates gave as answers ‘Promotion’ instead of ‘Marketing’ or ‘Number of workers’ instead of ‘Human resources’. Moreover, some candidates provided far-fetched or irrelevant answers.

Question 5 (a) (iii) – Importance of a business plan

This part question proved to be the second most challenging one in Section A.

<p>(iii) Give one reason why the preparation of a business plan is important for BDF.</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>..... [2]</p>
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Nearly half of the cohort did not score any mark. Only around 5 % of the cohort were able to score full marks by providing a relevant answer, applied to the context of BDF. Candidates who scored 1 out of 2 marks emphasised the importance of a business plan without applying it in the context of BDF. Moreover, many candidates did not attend this part question.

Question 5(b) – Factor influencing demand

This part question required the candidates to identify and explain one factor that may influence the demand for BDF.

(b) The demand for the drink sold by BDF is affected by various factors.

Identify and explain **one** factor that may influence the demand for BDF.

Factor: [1]

Explanation:

.....

..... [2]

Only around 17 % of the candidate population were able to identify a relevant factor and to provide an explanation of that factor in context and scored full marks. However, many candidates scored only 1 mark for identifying a correct factor influencing demand but could not explain the identified factor or the explanation did not correspond to the identified factor. Moreover, nearly 40 % of the cohort did not score any mark.

SECTION B

Question 6A- Multiple Choice Questions

Question 6A consists of 5 multiple choice questions which ensured a broad coverage of **Units 10 to 14** of the syllabus.

<i>Item Number</i>	<i>Key</i>	<i>Most common incorrect choice</i>
1	D	C
2	B	A
3	A	B
4	B	D
5	C	A

All the multiple-choice questions were attempted by most candidates. The average mark scored for Question 6A was 3 and nearly three quarters of the candidate population scored at least 3 out of 5 marks.

Comments on specific items for Question 6A

Item 1

1. "Office furniture bought on **credit**" is recorded in the account.
- A cash
 - B bank
 - C purchases
 - D furniture

Item 1 was a knowledge-based question requiring candidates to identify the account in which 'office furniture bought on credit' would be recorded. The expected answer was option D- 'furniture'. Only around 40 % of the candidate population scored the mark. This item proved to be the least well-answered MCQ for Section B. Option C- 'purchases' was a major distractor as candidates confused between buying office furniture and buying goods for resale. Candidates clearly could not differentiate between the two accounts.

Item 2

2. Which one of the following accounts always has a **credit balance**?
- A Trade receivables
 - B Capital
 - C Drawings
 - D Vehicles

This knowledge-based item was well attempted by nearly 66 % of the cohort who opted for the answer key B- 'Capital'. However, it was noted that option A- 'Trade receivables' was a strong distractor as perhaps some candidates confused 'trade receivables' for 'trade payables' -which has a credit balance.

Item 3

3. How is “rent paid in cash” recorded in a ledger?

A	Debit Rent Account	Credit Cash Account
B	Debit Cash Account	Credit Rent Account
C	Debit Rent Account	Credit Bank Account
D	Debit Bank Account	Credit Rent Account

This item was based on the double-entry principle for a cash transaction. Approximately 65% of the candidate population selected the right option A- ‘Debit Rent Account, Credit Cash Account’. Around 25 % of the candidate population wrongly chose Option B- ‘Debit Cash Account, Credit Rent Account’ which indicates that complete reversal of entries is a major problem for many candidates.

Item 4

4. An **income statement** is prepared to calculate the of an enterprise.

- A** liabilities
- B** profit or loss
- C** assets
- D** owner’s equity

This was a basic knowledge-based question on the purpose of an income statement. This item proved to be the most well attempted MCQ for Section B as nearly 85 % of the cohort opted for the answer key B- ‘profit or loss’.

Item 5

5. Which of the following is an example of an income ?
A Interest paid
B Inventory
C Interest received
D Advertising

This item required candidates to identify an example of an income from a list of options that could normally be included in an Income Statement. Nearly 77 % of the candidate population selected the answer key C- 'Interest received'. However, option A- 'Interest paid' was a strong distractor. Some candidates could not distinguish between an expense and an income.

Question 6B- Matching

This part-question aimed at assessing candidates' knowledge and understanding of certain accounting terms. Candidates were required to match each term to its correct definition or description.

The following were noted for this part question:

- Most candidates attempted this part-question.
- Nearly 65 % of the cohort scored full marks.
- Above 85 % of the cohort scored at least 3 out of 5 marks.
- Term 4- 'Capital' was the most well attempted item.
- Term 2- 'Credit transaction' was the least well attempted item. Many candidates wrongly matched Term 2 to description/ definition A instead of C. This clearly demonstrated a confusion between credit and bank transaction.
- A few candidates matched one term to two different descriptions/ definitions.

Question 6C- Fill in the blanks

Question 6C was a knowledge-based part question where candidates had to fill in each blank with a correct term from two given options, for each item. Nearly half of the cohort scored full marks and around 90 % were able to score at least 2 out of 4 marks.

Item1

1. The amount of money owed for credit purchases is referred to as trade **(payables, receivables)**

Nearly one quarter of the cohort could not differentiate between payables and receivables. They failed to link 'credit purchases' with 'trade payables'.

Item 2

2. A trial balance is usually prepared at the end of each or year. **(week, month)**

This was the most well-attempted item of question 6C. Most candidates demonstrated good understanding of when a trial balance is usually prepared.

Item 3

3. An asset always has a balance. **(debit, credit)**

A high number of candidates could not recognise that an asset always has a 'debit' balance.

Item 4

4. are debts which are repayable over more than one year. **(Current liabilities, Non-current liabilities)**

This item proved to be the most challenging one for nearly 30 % of the cohort. Many candidates who opted for "Current liabilities" could not differentiate between short- term debt and long-term debt.

Some general observations concerning question 6C are as follows:

- A few candidates did not write the whole word in the space provided but indicated their choice of answers by ticking or circling the correct answers or by putting an abbreviation in the blank space (for example writing NCL instead of Non-current liabilities).
- Some candidates wrote both answers in the space provided.
- A handful of candidates wrote random terms which were not provided in the brackets. This indicated that they did not read the instructions properly nor did they consider the given example.

Question 6D- ‘Account to be debited’ and ‘Account to be credited’

Date 2024	Transaction	Account to be debited	Account to be credited
May 23	Purchased a delivery van for cash Rs 10 000	Delivery van	Cash
May 25	Sold goods for cash Rs 7 500		
May 31	Bought stationery from Jamil Suppliers for Rs 875		

For question 6D, candidates were expected to analyse each transaction and to complete the table with the ‘Account to be debited’ and ‘Account to be credited’ based on the double entry principle. This was the least well-answered part question for Section B. Nearly one fifth of the cohort did not score any mark.

The following shortcomings were identified:

- Incorrect details/wordings were written in the table, which do not appear in the transactions.
- Complete reversal of entries was noted in many scripts.
- A few candidates reproduced the answers given in the example to the transactions on May 25 and May 31.
- Some candidates did not attempt this part question.

- Wrong use of accounting terminologies such as “sold”, “sell”, “seller”, “sold goods”, “inventory” and “cash sales” were used for May 25 transaction.
- Wrong use of accounting terminologies such as “bought stationery account”, “purchased stationery”, “purchases” and “expenses” instead of ‘stationery’ was seen in many scripts for May 31 transaction. Moreover, responses such as “suppliers”, “trade payables”, “Drawings” and “James” instead of “Jamil suppliers” were also noted.
- A few candidates put a tick in the columns instead of writing the title of the accounts, as perhaps they did not read or/and understand the instructions for this part question although an example was given.
- Some candidates simply inserted the words ‘debit’ and ‘credit’ in the answer spaces.
- A handful of candidates just copied the whole transactions in the answer columns.

Question 7- Recording business transactions in their respective accounts

Question 7 was a mini case scenario for the business of Alison, a trader dealing in toys during the month of June 2024. This question was designed to assess the candidate's ability to apply their knowledge and understanding of the concept 'Double entry system' to the business of Alison.

Question 7 proved to be very challenging for many candidates, whereby difficulties were encountered in recording transactions correctly in their respective accounts.

Part 7(a)(i) -Recording transactions in the Cash Account

Part (a)(i) required the candidates to prepare a Cash Account from a given list of transactions in **Table 1**. This part question was not well answered by many candidates. Nearly 40 % of the candidate population did not score any mark and only around 20 % scored full marks.

The following issues were noted:

- Candidates were expected to select only cash transactions from **Table 1** and to record them in the Cash Account. However, it was noted that many candidates wrongly recorded all transactions including bank and credit transactions in the Cash Account.
- Reversal of entries was noted in several scripts.
- Candidates could not identify the proper details of the transactions even though the amount was correct which resulted in loss of marks.
- Some candidates resorted to "lifting" words from the transactions. Instead of writing the account's names, wrong wordings were used in the 'details' column. For instance, 'bought goods', 'sold goods', and 'sundry' were used for purchases, sales, and sundry expenses respectively.
- The transaction on "Sundry expenses" proved to be very challenging as several candidates wrote the word "Sundry" or "Expenses" only.
- Some candidates even copied the whole transaction in the 'details' column.

Part 7(a)(ii) - Recording transactions in the Purchases Account

Part (a)(ii) required the candidates to prepare the Purchases Account from **Table 1**. Nearly 60 % of the candidate population did not score any mark and only around 20 % scored full marks.

The following issues were noted:

- Very often, cash purchases were correctly recorded on the debit side of the Purchases account but credit purchases were wrongly recorded on the credit side of the Purchases account.
- Incorrect details which were used by candidates were 'payables', 'supplies', 'purchases', 'bought goods' instead of writing the name of the supplier that is Kung-Fu.
- Moreover, a handful of candidates balanced the account when it was not required.

Part 7(a)(iii) - Recording transactions in Kung-Fu Account

Part (a)(iii) required the candidates to prepare the Kung-Fu Account from **Table 1**. Nearly 70 % of the candidate population did not score any mark. Several candidates balanced Kung-Fu account which was not a requirement of the question.

Part 7(b)- Balancing off the Cash Account

Balancing of the Cash Account on 30 June 2024 was not done or done inappropriately by a large proportion of candidates.

The following issues were noted:

- Only around 25 % of the cohort were able to score the 1 mark for the balancing of the Cash Account.
- Some candidates showed the balance c/d but not the balance b/d or vice versa and therefore could not score the 1 mark allocated for the balancing of the account.
- At times, different figures for balance c/d and balance b/d were noted.
- Balance c/d and balance b/d were written on the same line.
- Computation errors were common for the total, balance c/d and balance b/d figures as some candidates did not bring calculators. This resulted in loss of time doing the calculations in the question paper and the loss of marks for the incorrect computations.
- The opening balance was omitted in the calculation of the totals by some candidates.

Question 8 - Open-ended question and preparation of Statement of Financial position

Question 8 was a mini case scenario for the business of Emmanuel, an entrepreneur trading in groceries.

Part 8 (a)

Part (a) of question 8 was an open-ended question that required candidates to explain one difference between current assets and non-current assets. Generally, this part question was not well-attempted by the majority of candidates, indicating lack of knowledge and understanding of key terms used in the preparation of the Statement of Financial Position. While around 30 % of the cohort scored full mark, nearly 60 % were not able to score any mark.

The following were observed:

- Many candidates did not attempt this part question.
- Some responses were completely out of context.
- Many responses were inclined towards explaining 'liabilities' instead of 'assets'.
- Some candidates only provided examples of current assets and non-current assets without explaining the difference between the two.
- A handful of candidates completely reversed the definition, that is, current assets were described as being used for more than one year whereas non-current assets were defined as being used for the day-to-day running of the business.
- Some candidates provided incomplete answers and therefore could not score full marks.

Part 8 (b)

For part 8 (b), candidates were expected to apply their knowledge and understanding of the topic 'Statement of Financial Position' and to use the information given in **Table 2** to complete the Statement of financial position as at 31 August 2024. This part question was fairly well-attempted. Approximately, 55 % of the candidate population were able to score at least 4 out of 8 marks and nearly 30 % scored full marks.

However, the following discrepancies were noted:

- Some candidates wrote 'Delivery' instead of 'Delivery Vehicles'.
- Some candidates did not use calculators and thus arithmetical mistakes were common.
- For some items, correct details but incorrect amount were recorded or vice versa.
- Trade payables was wrongly recorded under the heading 'Current Assets' and Trade receivables under 'Current Liabilities'.

- Trade payables was wrongly recorded under the heading 'Non-Current liabilities' and Bank Loan under 'Current Liabilities'.
- Total Assets were wrongly calculated as Current Assets were deducted from Non-Current Assets.
- The concept of 'Owner's equity' was not properly mastered by some candidates.
- Some candidates did not attempt this question.

Conclusions and Recommendations

In order to obtain better qualitative results, candidates are expected to:

- read and analyse questions and instructions properly.
- acquire an in-depth understanding of key terminologies in the syllabus
- gain proper knowledge and understanding of key concepts of the syllabus.
- extract only relevant transactions to prepare ledger accounts and apply the double-entry principle correctly.
- have more practice in answering open-ended questions and pay particular attention to the command words.
- make use of a calculator to save time and for accuracy of calculations.