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JSS1
BUSINESS STUDIES
FIRST TERM

WEEK1

Topic: Introduction to Business Studies

Contents:

- Meaning of Business Studies
- Importance of Business Studies
- Components of business studies
- Career opportunities in Business

Meaning of Business Studies

The study of business is about how individuals and groups of people organize, plan, and act to create and develop goods and services to satisfy customers. Business is influenced by and impacts on the cultural, ethical, environmental, political, and economic conditions of the day.

Business Studies will help you to make more informed decisions in the everyday business of living. It gives you a better understanding of the world of work. It encourages you to think about how and why people start up in business and why you too might also consider starting a business.

As well as developing the essential transferable or 'soft' skills that employers demand, the following strengths are also cultivated through business studies:

- critical thinking and analytical skills, alongside familiarity with evaluative techniques;
- numeracy and the ability to research, interpret and use business and financial data and information;
- self-reliance, initiative and the ability to manage time, projects and resources;
- appreciation of the causes and effects of economic and other external changes,
- a creative problem-solving approach and sound, logical decision-making skills;
- effective and persuasive written and oral communication skills;
- Understanding organisational behaviour and structure.

These attributes are much sought after by employers since they build commercial awareness and allow new employees to start contributing to the organisation quickly.

The course structure and design of assignments also boost employability, with presentations, group work, independent projects, and business simulation activities giving ample opportunity for development.

Business: It is any activity performed or service rendered which provide goods or services to satisfy human needs and desires. It should be noted that any business activity must be legal and must bring a reward or profit.

The goods and services provided in any business activity must result in the provision of tangible or intangible goods. A tangible good is a good you can see physically or hold e.g. biro, shoes, dresses etc. while intangible goods are what cannot be seen or touch, it involves services rendered by teachers, doctors, engineer, etc.

Business studies can, therefore, be defined as the study of how businesses work, especially the financial and management aspects of a business.

Importance of business studies

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The importance of business studies are the following

- Business studies help to provide an opportunity for self-development

- It provides an opportunity for making appropriate career selection
- It helps individual to make a better investment decision
- The knowledge of business studies help a consumer to make better decisions about their daily needs
- It develops individual ability to calculate
- It makes a person get good demand for the money spent.

Functions of Business

Business performs the following functions, which are:

- Business serves as an employment opportunity for people
- It makes raw materials available for the production of goods required by the people.
- Business makes goods and services available to people
- It's a source of livelihood
- Good business makes life comfortable for the people

Components of Business Studies

Business studies as a subject embrace some area of professional courses like commerce, Economics, insurance, and banking. Components of Business studies are :

- **Book keeping;** it has to do with the way a company or organization need to reconcile a company's finances or that of any organization.
- **Office practice;** it deals with the management of an office meant for business activities
- **Commerce;** this has to do with the activity of buying, selling and distribution; it has to do with how the goods and services get to the final consumer.
- **Keyboarding;** its a system of using keys, which you press to print letters, symbols, graphical illustration etc.
- **Shorthand;** this the method of writing that uses symbols to represent letters, words or phrase

Career opportunities in business

A career can be defined as the occupation or profession one can do to earn a living. For instance, a good knowledge of shorthand can make a person becomes a good secretary, good

knowledge of commerce also can make a person to become a professional trader, an accountant, banker, finance expert etc. Knowledge of business can also make a person employer of labor.

ASSESSMENT

1. _____ can be defined as the occupation or profession one can do to for earn a living
(a) opportunities (b) career (c) surplus (d) none of the above
2. All the following are career opportunities in business except (a) pastor (b) accountant (c) secretary (d) banker
3. _____ has to do with the trading, buying and distribution (a) bookkeeping (b) commerce (c) shorthand (d) keyboarding
4. _____ is not a subject that can help to contribute to the development of business (a) commerce (b) chemistry (c) bookkeeping
5. The goods that can be seen and held is referred to as _____-(a) good goods (b) tangible goods (c) bad goods (d) intangible goods

ANSWERS

1. B
2. A
3. B
4. B
5. B

Week 2

Topic: The Office

Contents:

1. Meaning of an office
2. Qualities of a good office layout
3. Things usually found in an office
4. Functions of an office
5. Types of office
6. Office types by administrative structure

Meaning of an office

An office is generally a room or other area where administrative work is done. An office can also be defined as a place set aside for performing clerical and administrative duties in an organization.

Every organization, whether government or private has a place called an office, it could be a room or a whole building. An office is very important in any organization.

Qualities of a good office layout

The qualities of a good office layout are the following

- A good office must allow for easy control and supervision of staff
- The office should be well laid out to prevent waste of time on unnecessary movement of staff
- A good office should have enough light and adequate ventilation and the environment should be constantly kept clean.
- A good office must be suitably equipped with office machines , telephone, stationary etc. to ensure good performance
- An office should be laid out in such a way that will make it possible for work and free flow of information between all members of the staff

Things usually found in the office

The following things are usually found in an office either for the use and comfort of the people

working in the office or things to help them perform their duties efficiently. Some of the things usually found in the office are:

- computer,
- printers,
- table,
- chair,
- intercom,
- scanning machines, etc

Types of office

An office can be grouped into two types;

Office types by sizes ———small and large office

Office types by administrative structure—— open and closed offices

The small office: The small office usually has a limited number of staff because it is always owned by small organization or businesses. In a small office there is no specialization, a person can perform many duties in the same office.

Advantages of a small office

- They learn more about the functions of the organization and can use the knowledge gained to establish their own business in the future
- The owner of the business shares closer relationship with their worker and customers
- The workers enjoy doing a wide variety of duties

Disadvantages of a small office

- The employer will not be able to provide social and welfare amenities like medical services, allowances for workers
- A small office can only take a few things like type writers, computers and photocopiers
- The payment of wages and salaries will be based on the volume of work performed in the small office.

The large office

Large business organizations usually need large offices because of the size and scale of their operations. A large office can be divided into specialized units called departments. There is specialization for workers in large offices because people do different things.

Advantages of large office

- It can provide social and welfare services like staff canteen, medical facilities etc for its worker
- Employees enjoy teamwork in their respective work places and department
- A large office can be divided into functional department
- A large office can pay its workers wages/salaries that other companies pay in their industry

Disadvantages of large office

Improper management or supervision, there could be problems of miscalculations, fraud and ot

There is no close relationship between employers, workers and their customers her vices.

Workers are limited to what they do every day unlike the small office where the worker does so many things.

Office types by administrative structure

Open office system: This is also called centralized office system; it is design in such a way that it is a large floor space with no dividing walls or partitions. Examples of an open office system is a banking hall, staff rooms

Advantages of open office system

- It is easy to rearrange the hall for other special occasions such as business meetings and social gatherings
- Open office system reduces the chance of corrupt practices of staff and thus promotes accountability in business
- Working in an open office saves a lot of time and money as workers have no need to move from one office to another to pass information or get information.
- It makes general supervision of staffs easier and encourages workers to be more efficient in their duties.
- It helps to reduce the chances of corrupt practices of staff.

Disadvantages of open office system

- There is no privacy for workers
- There is high level of distractions
- No access to personal office facilities
- There is tendency for improper sitting arrangement

The closed office system

This is the situation where spaces are partitioned into rooms and separate rooms allocated to individual staff or group of workers

Advantages of closed office system

It provides opportunity for office equipment

It guarantees the security of the office equipment

It does not give room for noise making or any form of distraction

It gives privacy to workers

Disadvantages of closed office system

It increases the cost of operating the business

There might be a delay in achieving the business goal

It does not give room for intimacy among workers

It does not give room for effective supervision

Functions of an office

The following points below are the functions of an office

An office is used for attending to customers, visitors, and callers

It helps to safeguard and protect information

It is used as a place for receiving information from external and internal sources

It is a place for the processing of information received for use

It is a place of recording information

Test and exercise

1. An open office can be defined as (a) a large floor place that has no door (b) an office that is always open (c) a large floor place that has no dividing walls or partitions (d) a place for selling equipments
2. One of these is not an advantage of a closed office (a) workers can jointly use office facilities together (b) it allows for privacy (c) it does not give room for noise making (d) all of the above
3. Type of office according to size is ———— and ———— (a) open and closed (b) big and wide (c) medium and average (d) small and large
4. Types of office according to structure is ———— and ———— (a) open and closed (b) big and small (c) large and wide (d) medium and average
5. All are functions of office except (a) recording information (b) gossiping (c) processing information (d) attending to customers, visitors and callers

Answers

1. C
2. A
3. D
4. A
5. B

Week 3

Topic: Departments in an office organization

Contents:

1. Why departments in an organization
2. Various departments in an organization
3. Functions of department in an organization

Reasons for department in an organization

- The departments take care of the different aspect in an organization
- Departments helps the workers of different aspect to be well coordinated by the department heads
- Functions of various department in an organization aims towards achieving the organizational goals

Various departments in an organization are classified as

Production department: The head of the production department is known as the production manager. They engage in the producing of goods and services. Some of their functions are:

- The production department makes sure the raw materials are converted to goods that will satisfy the consumers.
- Its ensure right quantity and quality of goods are produced
- Its ensure goods are produced at minimum cost
- Its relate with the marketing department to know the needs of the people

Marketing department: the marketing department helps in changing and selling the products of the production department into money for the organization. The head of marketing department is called the marketing manager. Some of their functions are:

- It works closely with the research and development department to design and package new product

- It gives attractive colors and names to old products to increase their sales value
- It is responsible for identifying and knowing the viable wholesalers to handle the products of the organizations
- In relationship with the accounting department, it is responsible for the products.

Accounting department: The accounting department is responsible for keeping the records of all the financial transaction in the organization. It is headed by a chief accountant and assisted by other accountants and clerks. Some of their functions are:

- It keeps the record of the organization's accounting and financial activities
- It is responsible for all tax issues relating to the organization
- It prepares the Annual Business Accounts for the organization's Annual General Meeting
- It ensures proper and judicious spending of the organization resources
- It prepares and pays out wages and salaries to workers in the organization

Personnel department: The personnel department handles all staff matters in the organization; it is headed by the personnel manager. Their functions are:

- The department is responsible for the selection and recruiting of staffs in the organization
- It deals with staff promotion and staff discipline
- It is also responsible for staff training
- It ensures good welfare for the staffs

Administrative department: The administrative department co-ordinates the activities of all other departments in the organization. The administrative head is usually called the managing director who is the chief Executive Officer of the organization. Some of their functions are

- It organizes management meeting and prepares the minutes of such meetings
- It ensures that all policy decisions taken at the meeting are put into practical use.
- It monitors and supervises the activities of all other departments. Other departments are

Planning Department

Sales department

Transport department

Functions of departments in an organization

Department	Role
Accounts	Provides a detailed record of the money coming in and going out of the business and prepares accounts as a basis for financial decisions
Human Resources or Personnel	Deals with all the recruitment, training, health and safety and pay negotiations with unions/workers
Production	Makes sure that the production plans are met on time and products of the right quality are produced
Purchasing	Buys all the raw materials and goods required for production
Sales and marketing	Sales function deals with all aspects of selling to customers; the marketing function carries out marketing research, organises advertising and product promotion

Test and Exercise

1. One of these is not a function of the personnel department (a) training of staff (b) recruitment of staff (c) paying workers' salaries (d) promotion of staff
2. The department responsible for paying of wages and salaries is the (a) accounting (b) personnel (c) planning (d) administrative
3. The head of the production department is called the (a) personnel manager (b) chief accountant (c) production manager (d) managing director
4. The department in charge of selling the products that are produced is the (a) production department (b) marketing department (c) personnel department (d) purchasing department
5. The aim of the various departments in any organization is (a) to bring the organization to a close (b) to destroy the business plan (c) to achieve the organizational goals (d) to bring the organization into debt

Answers

1. C
2. A
3. C

4. B

5. C

Week 4

Topic: The Office staff

Contents:

- Meaning of office staff
- Grades of office staff
- Functions of an office staff
- Personal qualities of an office
- Job qualities of an office
- Confidentiality of office information

Meaning of office staff: is a person who performs the ordinary work that people do in an office i.e a person who performs the function of receiving information, recording information, arranging information, giving out information, protecting, safeguarding information and assets of an organization is a clerical staff.

Clerical staff includes the secretary, receptionist, typist, computer operator's clerk etc.

Grades of clerical staff are:

- Clerical officers
- Clerical assistants
- Senior clerks

The working place of a clerical staff is an office; most of the clerical staff performs their duties at the registry. A registry is a room or a combination of rooms where office functions are carried out. In a business organization, the registry is an essential organ of the administrative department, which serves all departments in the organization

The registry is always headed by a senior clerical staff. the size of the registry depends on the size of the organization and the nature and volume of its activities.

Functions of clerical staff includes

- He records the movement of every file in the record book to avoid the loss of files.
- The clerical staff dispatches outgoing mails (letter, quotations etc.) sorts them and

put them in their respective files for further actions.

- The clerical staff keeps files in view and brings them up for action when necessary.
- He is responsible for opening of new files or closing of old files and keeping them in the file cabinets for safety.
- He distributes internal documents (notice of meeting, memoranda etc) to the individual staff and departments in the organization.

Qualities of a clerical staff

A good clerical staff must be able to possess two sets of qualities to perform effectively. These qualities are:

Personal qualities of a clerical staff are the following:

- He/ she must always wear something simple , smart and neat dresses to work
- He/she must be intelligent and capable of performing his duties with little and no supervision
- He/she must possess the basic education required for the clerical position
- He/ she must always be punctual at work and be committed to his/her work
- He/she must be polite and be friendly
- Must be reliable and trustworthy

Job qualities of a clerical staff; they are as follows

- He/she must have interest in his/her job and be willing to learn more about the job.
- He/ she must be time conscious and ready to work on schedule
- He/she must possess the necessary ability to respond to enquiries
- He/she must have the minimum qualification required for the job
- He/she must be hard working and be ready to work beyond the working period when he is required to do so.
- Must have the ability to communicate with other people working on the job.
- Must be productive and have the ability to achieve organizational goal.

Confidentiality of office information

Confidentiality can simply be defined as a situation in which important information must be

kept in secret. It is the act of not letting the secret or important things in the organization to be exposed to anyone

Leaking an organization's official secret would weaken the activities of the organization.

Test and exercise

1. Who is a clerical staff (a) a manager (b) a tailor (c) a carpenter (d) someone who performs office duties
2. A clerical staff does not perform one of the following functions (a) providing snacks for the manager during break time (b) receiving incoming mail (c) opening of new files and closing of old ones (d) recording of files in and out of the office
3. Grades of clerical staff are all of these except (a) clerical officer (b) clerical adviser (c) clerical assistance (d) senior clerks
4. The working place of a clerical staff is (a) a home (b) a church (c) an office (d) a compound
5. The registry is always headed by —— (a) senior clerical staff (b) clerical assistance (c) clerical assistants (d) none of the above.

Answers

1. D
2. A
3. B
4. C
5. A

Week 5

Topic: The right attitude to work

Content:

- Meaning of attitude to work
- Attribute of right (positive attitude to work)
- Rewards of right attitude to work
- Consequences of a negative attitude to work
- Meaning of punctuality and regularity
- Attributes of punctuality and regularity
- Rewards for punctuality and regularity and punctuality
- Sanctions for non-display Of punctuality and regularity attributes
- Devotion to Duty

Meaning of attitude to work

- Attitude is someone's opinion or feeling about something usually shown by the person's behavior. Attitude can be positive/right or negative/wrong. A right attitude will lead to increase in productivity and good working environment.
- Attitude involves feelings, values, beliefs and disposition that make individuals to act or behave in a certain way.
- Attitude to work is therefore a person's feelings, values and disposition towards their work

Attributes/characteristics/features of right (positive) attitude to work

- Punctuality: This is the ability of a worker to resume to work early i.e. the appropriate time.
- Honesty: It is the moral uprightness to work
- consistency: It is the ability to maintain a particular standard at work
- Diligence: It is the act of working very hard and carefully
- Devotion: It is the act of working with dedication or loyalty.

- Commitment: It is showing a strong belief in the work and doing the job with your whole heart.

Rewards of right attitude to work

The rewards of right attitude to work include the following

- It brings success to and progress to workers
- It brings joy and happiness to workers
- It brings respect and mutual understanding to among workers and management
- It enhances good relationship with co-workers
- It brings about growth and productivity to the organization

Negative Attitude to work

It is the direct opposite of right/positive attitude to work

Consequences of negative attitude to work include the following

- It brings about less or no productivity
- It brings anxiety to worker because he feels is in danger
- The worker feels over work and unfair treatment from the management
- The worker feels unhappy and become depress

Meaning of punctuality and regularity

Punctuality can be defined as the quality of being prompt, precise or exact. It is the quality of doing things at an arranged or correct time. It is the direct opposite of lateness.

Regularity means the fact that something well-arranged or arranged in an organized pattern. It also means doing the same thing regularly over time or a thing that has a pattern to it.

One of the early signs of punctuality and regularity is commitment and consistency.

Attributes of Punctuality and Regularity

The attributes of Punctuality and regularity are

- Interest
- Commitment
- Consistency

- Accountability
- Self-motivation
- Accountability

Rewards for punctuality and regularity

There will be promotion

There is level of high performance

It will bring about a better team player

It brings about organizational growth

Sanctions for Non-display of punctuality and regularity attributes

Sanctions for workers who are not regular and punctual can come in the following ways.

- Suspension from duties
- Loss of job of the employees
- Lack of promotion on the job
- Low productivity, resulting in the slow growth of the organization.

Devotion to Duties

Devotion is a great love, care, admiration and support for something or somebody. Devotion to work or duties is, therefore, the love, care, and great support for what one does as his/ her occupation.

Test and Exercise

1. A worker's attitude means (a) a worker's favorite food (b) the worker's qualification (c) the worker's idea (d) the workers behavior
2. Attitude can be (a) positive and negative (b) wild and dangerous (c) large and wide (d) exposed and kept
3. A positive attitude to work will bring about (a) no customer (b) increase in productivity (c) decrease in productivity (d) stress and depression
4. One of these is the consequence of a negative attitude to work (a) high productivity (b) a good working environment (c) it brings about anxiety (d) it brings development in the organization
5. All of the following are features of positive/right attitude to work (a) consistency (b) punctuality

(c) stubbornness (d) devotion

Answers

1. D

2. A

3. B

4. C

5. C

Week 7

Topic: Introduction to Commerce

Content:

1. Meaning of commerce
2. Commercial Activities
3. Importance of Commerce
4. Activities which aid Commerce

A. Meaning of Commerce

Commerce can be defined as human activities that deal with buying and selling of goods and services. It occurs with supporting activities like as transportation, warehousing, banking, insurance etc. All these supporting activities are called aids to commerce.

B. Commercial Activities

A commercial activity involves the production of goods and provision of services. For example; the productions of milk, biscuit, a television set in their factories which are sold to wholesalers. The wholesalers then sell the goods to retailers, the retailers then sell the goods to the final consumer.

Commercial activities then involve the acts of buying and selling of farm and manufactured products. It also involves the activities of lawyers, accountants, teachers, musicians, hairdressers etc. The buying and selling of goods and services are called trading. Trading is therefore divided into:

Home Trade: It is the trade carried out within a country; it is made up of the wholesaler and retailer.

Foreign Trade: It is the trade with other countries of the world. It is made up of import and export.

C. Importance of Commerce

Importance of commerce include the following

1. It helps a country to develop faster
2. It develops the banking system
3. It provides employment opportunities

4. It helps in the transporting of goods and services from one place to another
5. It creates a link between the manufacturers, buyers, and sellers
6. Commerce makes a person become an entrepreneur

D. Activities which Aid Commerce

The activities include:

Banking: It deals with the finances of trading activities.

Insurance: It deals with bearing of risks of investment

Communication: It provides the link

Transportation: It involves the movement of goods from one place to another

Advertising: It involves the process of creating awareness about a new or existing product.

Test and Exercise

1. The process of creating awareness of new and existing product is called (a) banking (b) transportation (c) advertising (d) communication
2. _____ can be defined as human activities that deal with buying and selling of goods and services. (a) commerce (b) foreign trade (c) communication (d) aid to commerce
3. The trade within a country is called (a) home trade (b) foreign trade (c) international trade (d) overseas trade
4. Commerce is important for the following reasons except (a) It helps a country to develop faster (b) It develops the banking system (c) It provides employment opportunities (d) it makes it possible for a person to travel all over the world
5. The commercial activities that deal with the finances of trading activities (a) transportation (b) advertising (c) insurance (d) banking

Answers

1. C
2. A
3. A
4. D
5. D

Week 8

Topic: Division of Commerce

Content:

- Meaning and classification of commerce
- Division of Trade
- Differences between Home trade and Foreign trade

A. Meaning and classification of Commerce

Commerce is concerned with buying, selling and distribution of goods and services, which are produced by industry. James Stephenson has defined commerce as "an organized system for the exchange of commodities and distribution of finished productions." It signifies a process of exchange, which is the foundation of modern economic life. Commerce helps in transforming the goods from the place of production to those places where it is scarce. Hence it is concerned with the supply of goods and services to the consumers at the right place, at the right time and condition.

Commerce deals with the processes which are engaged in the removal of hindrances of persons (trade), hindrances of exchange (banking and finance), hindrances of place (transport, insurance), hindrances of time (warehousing), and hindrances of information (advertising and salesmanship). In the modern era, commerce includes all the functions which are required to buy and sell the product. Commerce provides a link between producer and consumer. Commercial occupation deals with the buying and selling of goods, the exchange of commodities and distribution of the finished goods.

Commerce is primarily concerned with two main types of activities: (1) Trade, and (2) Aids to Trade.

(1) Trade

Trade refers to the sale, transfer or exchange of goods. It is an activity by which buyers and sellers exchange useful goods and services for mutual advantage. Trade is the process of by which goods are taken from the source of production to the consumers. The persons engaged in trade are called 'traders' or 'middlemen'. A trader acts as an intermediary between producers and consumers. Trade may be broadly classified into two parts: (a) Home Trade, and (b) Foreign Trade.

(a) Home Trade: home trade consists of buying and selling goods within the boundaries of a country. Payments for such sale are made in national currency directly or through banks and the internal transportation system is utilized for the movement of goods. It may be further subdivided into wholesale and retail trade. Wholesale Trade consists of buying in lots from

producers and then selling them to a large number of a retailer. It serves as a link between the producers and the retailers. Retail Trade, on the other hand, involves the purchase of goods from the wholesaler or the producer directly and sell those goods to a large number of consumers in small lots. Hence, it is the final stage of distribution.

(b) Foreign Trade: Foreign trade involves the purchase and sale of goods between different countries. For example, trade carried on between Kathmandu and Tokyo is foreign trade. Two countries are involved in foreign trade. It may be further sub-divided into import, export and entreport trade. Import Trade implies the purchase of goods from a foreign country. Export Trade, on the other hand, implies the sale of goods to other countries. Entreport Trade is only re-export. A country imports something not for own use but to export it to other countries is known as entreport trade.

(2) Aids to Trade (Auxiliaries to Trade)

There are various obstacles in the way of smooth running of trade. All the obstacles are overcome with the help of various agencies known as Aids to Trade. Aids to trade are those activities that facilitate buying and selling of goods. In other words, it is the hindrance of place (transport and insurance) and time (warehousing) in the exchange (banking) of commodities. So it links the consumers and traders. These aids are essential for the growth of trade and industry. Thus they are also known as an aid to business and auxiliary services. Aids to trade include the following services.

(a) Transport: Goods are produced at a few places but are required for use at several different places. It is the function of transport to carry goods from centers of production to centre of consumption. It creates place utility by transferring goods from one place to another. It has linked all parts of the world.

(b) Communication: The transmission of information from one place to another for various purposes is known as communication. Most important communication media are telephone, fax telegrams, radio, T.V. etc. They are very much important and helpful in communicating their message with persons in distant places. Communication also gives information about new products to individuals and firms. Development of industry and trade is very much dependent on the means of communication.

(c) Banking and Finance: Banks and financial institutions provide finance to business units. They are traders of money and credit. They provide capital for the business in the shape of a loan and they also help them in remitting money from one place to another. They play an important role in international trade where each other do not know trading parties.

(d) Insurance: During the movement of goods from place to place or during storage, there are chances of goods being damaged or lost. It protects the traders from the fear of loss of goods. The fear of loss of goods due to any cause acts as an obstacle in the development of industry and trade.

(e) Warehousing: Warehouse is a kind of storage. Warehouse creates time utility. Some goods are produced seasonally but they are required throughout the year. So there is a need to store

them, so that they may be supplied according to demand. Hence, the warehouse is used to keep the stock of goods when not required for immediate use.

(f) Advertising and Publicity: The consumers may not be aware of the availability of various goods in the market. The producer will also like to increase his customers. The producer will also like to increase his customers. The advertisement promotes their sales. Publicity is a method of promoting sales. It is essential for increasing sales and profit. There are several media of publicity like the newspaper, radio, T.V., etc.

Trade is the act of buying and selling and exchange of goods and services. It is a major part of commerce.

B. Division of Trade

Trade can be divided into two divisions. These are Home or domestic trade and Foreign or international trade.

Home Trade/ Domestic Trade

Home trade can be described as buying, selling and exchange of goods and services among people living in the same country. E.g. A woman buying goods from Oyo state and traveled down to Sokoto to sell the goods.

In home trade, the same currency is used and there are no trade barriers like customs duties, tariffs, import duties, etc. Home trade can be subdivided into (a) wholesale trade and (b) retail trade.

Wholesale trade: It involves the buying of goods in large quantity from the manufacturers and selling in small quantities to the retailer. Traders who are involved in wholesale trade are called the wholesalers. Wholesalers buy in large quantity; therefore they must have large capital and big warehouse for their stocks.

Retail trade: A person who involves in retail trade is called a retailer. Retail trade is the buying of many products in small quantities and selling them to the final consumers in units or bit by bit. A retailer sells directly to the final consumer.

Foreign Trade: The foreign trade is also known as the International trade; It is the trade between the people of one country and the people of another country. E.g trade between Nigeria and Japan. It involves the use of foreign currencies to pay for goods and services bought from other countries. Foreign Trade can be subdivided into import, export, and entreport.

<TABLE>

C. Differences between Home and Foreign trade

Home Trade	Foreign Trade
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1. No trade barriers are involved	There are trade barriers
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2. It involves the use of only one currency Two or more currencies are involved
3. Most goods and services involved are produced locally Most goods imported are foreign-made goods
4. Goods and services produced moved within the country Goods and services produced move from one country to another
5. Home trade is also called domestic trade Foreign trade is called international trade
6. The cost of transportation is less Cost of transportation is high
7. Goods produced are not usually expensive Foreign goods are usually expensive

Test and Exercise

1. Which one of these is not an aid to commerce (a) warehousing (b) banking (c) wholesaling (d) advertising
2. A domestic trade is also known as (a) international trade (b) home trade (c) national trade (d) oversea trade
3. The form of trade that involves trade barrier is (a) foreign trade (b) domestic trade (c) home trade (d) local trade
4. A person who buys goods in large quantities from the manufacturer is called (a) retailer (b) consumer (c) wholesaler (d) producer
5. ——— is the act of buying and selling and exchange of goods and services (a) trade (b) foreign (c) market (c) transportation (d) insurance

Answers

1. C
2. B
3. A
4. C
5. A

WEEK9

Topic: Production

Content:

- Meaning of Production
- Types of Production
- Factors of production

A. Meaning of Production

Production can be defined as the transformation of raw materials into finished goods. It is concerned with all legal activities which are directed towards the satisfaction of human wants.

Human wants are many, but they can be divided into material wants and non-material wants. The material wants are referred to as goods while the non-material wants are called services.

Production involves the conversion of raw materials and semi-finished goods into tangible goods that can satisfy the needs of the people. Examples of tangible goods are: yam, rice, clothes, cars, radio etc.

B. Types of Production

Types of Production are

Primary Production: Primary production is concerned with the extraction of food crops from soil, crops like yam, ground nut, rubber etc all for human consumption and as raw materials for manufacturing industry. It is the extraction of mineral resources from the ground; such resources include crude oil, coal, gold etc. The primary production is carried out by Extractive Industry. An industry is a combination of all firms providing similar goods.

Secondary Production: Secondary production makes use of the products from the primary production to produce finished goods. Example: The cotton extracted will be transformed into clothing during secondary production by the manufacturing industry.

Relationship between Commerce and Production

The following are the relationship that exists between commerce and relationship.

Commerce involves the process of buying, selling and distribution of goods while production involves the creating of such goods and services and making them available to satisfy human wants, therefore when goods and services are not produced there is nothing that will be transported or distributed. The products get to the final consumer through buying, selling and distribution which is commerce.

Factors of Production

Factors of Production can be defined as the basic resources or agents used for producing goods and services. Factors of production make it possible for goods to be produced in the required quantity and quality.

The factors of production are land, labor, capital and entrepreneur.

LAND: The land is a free gift of nature; it refers to the resources provided by nature to aid the production of goods and services. Examples of land are rivers, farmlands, seas, the fishes in them, forestry minerals such as coal, crude oil, iron etc. Others are the climatic conditions like rain, sunshine, animals etc.

Features of Land

The following points below are the features/ characteristics of land

- Land is immobile i.e. the location of land cannot be changed, it is fixed.
- The value of land varies from one location to another.
- It is a free gift of nature
- The supply of land is limited
- The reward for labor is rent

LABOUR: Labour is the mental or physical efforts of man which is directed towards the production of goods and services. Examples of labor are the work of farmers, carpenters, teachers, policemen etc.

Features of Labour

- Labour is mobile i.e. can move from one location to another
- Labour controls other factors of production
- Labour has feelings
- Labour requires motivation
- Labour is not fixed
- Labour is a human factor

CAPITAL: Capital is defined as the man made assets used in production. It is the man made wealth used in the production of other goods. The reward for capital is “interest”

Features of Capital

- Capital is man made
- Capital is durable
- Capital exist in different forms
- It promotes division of labour
- Capital exist in different forms

ENTREPRENEURS: The entrepreneur is the person who combines the all other factors of production. He coordinates and directs the factors of production to produce goods and services.

Features of Entrepreneur

The entrepreneur takes the risk in a business

He coordinates and manages all the other factors of production

The entrepreneur makes the decision in the organization

Provides the capital

The reward for an entrepreneur is “profit”

Test and Exercise

The transformation of raw materials into finished goods is _____

- (a) Commerce
- (b) Production
- (c) Industry
- (d) Services

_____is the combination of all firms providing similar goods.

- (a) Industry
- (b) Manufacturing
- (c) Firms
- (d) Production

Non material wants are called _____

- (a) Goods
- (b) Services

(c) Excess wants

(d) Perishable goods

The production that needs to do with the extraction of food crops from soil is _____

(a) Primary production

(b) Secondary production

(c) Tertiary production

(d) None of the above

For production to fulfill its purpose, goods produced must get to the

(a) Retailers

(b) Wholesalers

(c) Consumers

(d) producers

The reward for land as a factor of production is _____

(a) Profit

(b) Interest

(c) Rent

(d) Wages

The following are factors of production except _____

(a) Labour

(b) Land

(c) Industry

(d) Capital

Which one of the following is a distinguishing feature of capital?

(a) It is created by man but set aside for future use

(b) It is fixed

(c) Its reward is rent

(d) It is a free gift of nature

The manager of the business is referred to as _____

(a) Labour

(b) Adviser

(c) Entrepreneur

(d) None of the above

Which of the following is not a good example of land_____

(a) Gold

(b) Seas

(c) Rivers

(d) Bridge

Answers

1. B

2. A

3. B

4. A

5. C

6. C

7. C

8. A

9. C

10. D

JSS1
BUSINESS STUDIES
SECOND TERM

Week 1

Types of Business Organization

It is important that the business owner seriously considers the different forms of business organization—types such as sole proprietorship, partnership, and corporation. Which organizational form is most appropriate can be influenced by tax issues, legal issues, financial concerns, and personal concerns. For the purpose of this overview, basic information is presented to establish a general impression of a business organization.

Sole Proprietorship

A Sole Proprietorship consists of one individual doing business. Sole Proprietorships are the most numerous form of business organization in the United States, however, they account for little in the way of aggregate business receipts.

Advantages

- Ease of formation and dissolution. Establishing a sole proprietorship can be as simple as printing up business cards or hanging a sign announcing the business. Taking work as a contract carpenter or freelance photographer, for example, can establish a sole proprietorship. Likewise, a sole proprietorship is equally easy to dissolve.
- Typically, there are low start-up costs and low operational overhead.
- Ownership of all profits.
- Sole Proprietorships are typically subject to fewer regulations.
- No corporate income taxes. Any income realized by a sole proprietorship is declared on the owner's individual income tax return.

Disadvantages

- Unlimited liability. Owners who organize their business as a sole proprietorship are personally responsible for the obligations of the business, including actions of any employee representing the business.
- Limited life. In most cases, if a business owner dies, the business dies as well.
- It may be difficult for an individual to raise capital. It's common for funding to be in the form of personal savings or personal loans.

The most daunting disadvantage of organizing as a sole proprietorship is the aspect of unlimited liability. An advantage of a sole proprietorship is filing taxes as an individual rather than paying

corporate tax rates. Some hybrid forms of business organization may be employed to take advantage of limited liability and lower tax rates for those businesses that meet the requirements. These include S Corporations, and Limited Liability Companies (LLC's). Where S-Corps is a Federal Entity, LLC's are regulated by the various states. LLC's give the option for profits from the business to pass through to the owner's individual income tax return.

Partnership

A Partnership consists of two or more individuals in business together. Partnerships may be as small as mom and pop type operations, or as large as some of the big legal or accounting firms that may have dozens of partners. There are different types of partnerships—general partnership, limited partnership, and limited liability partnership—the basic differences stemming around the degree of personal liability and management control.

Advantages

- Synergy. There is clear potential for the enhancement of value resulting from two or more individuals combining strengths.
- Partnerships are relatively easy to form, however, considerable thought should be put into developing a partnership agreement at the point of formation.
- Partnerships may be subject to fewer regulations than corporations.
- There is a stronger potential of access to greater amounts of capital.
- No corporate income taxes. Partnerships declare income by filing a partnership income tax return. Yet the partnership pays no taxes when this partnership tax return is filed. Rather, the individual partners declare their pro-rata share of the net income of the partnership on their individual income tax returns and pay taxes at the individual income tax rate.

Disadvantages

- Unlimited liability. General partners are individually responsible for the obligations of the business, creating personal risk.
- Limited life. A partnership may end upon the withdrawal or death of a partner.
- There is a real possibility of disputes or conflicts between partners which could lead to dissolving the partnership. This scenario enforces the need of a partnership agreement.
- As pointed out, unlimited liability exists for partnerships just as for sole proprietorships. One way to alleviate this risk is through Limited Liability Partnerships (LLP's). As with LLC's, LLP's may offer some tax advantages while providing some risk protection for owners.

Corporation

A corporation is a legal entity doing business and is distinct from the individuals within the entity. Public corporations are owned by shareholders who elect a board of directors to oversee primary responsibilities. Along with standard, for-profit corporations, there are charitable, not-for-profit corporations.

Advantages

- Unlimited commercial life. The corporation is an entity of its own and does not dissolve when ownership changes.
- Greater flexibility in raising capital through the sale of stock.
- Ease of transferring ownership by selling stock.
- Limited liability. This limited liability is probably the biggest advantage of organizing as a corporation. Individual owners in corporations have limits on their personal liability. Even if a corporation is sued for billions of dollars, individual shareholder's liability is generally limited to the value of their own stock in the corporation.

Disadvantages

- Regulatory restrictions. Corporations are typically more closely monitored by governmental agencies, including federal, state, and local. Complying with regulations can be costly.
- Higher organizational and operational costs. Corporations have to file articles of incorporation with the appropriate state authorities. These legal and clerical expenses, along with other recurring operational expenses, can contribute to budgetary challenges.
- Double taxation. The possibility of double taxation arises when companies declare and pay taxes on the net income of the corporation, which they pay through their corporate income tax returns. If the corporation also pays out dividends to individual shareholders, those shareholders must declare that dividend income as personal income and pay taxes at the individual income tax rates. Thus, the possibility of double taxation.

ASSESSMENT

- Who is a sole proprietor?
- Differentiate between sole proprietorship and partnership
- State two advantages of a sole proprietorship
- What is a Corporation

ANSWER

- A sole proprietor is an individual who owns and operates their own business
- Sole Proprietorship consists of one individual doing business while Partnership consists of two or more individuals in business together
- (i) Typically, there are low start-up costs and low operational overhead. (ii) Ownership of all profits.
- A corporation is a legal entity doing business and is distinct from the individuals within the entity.

Week 2

Consumer, Market, and society

Outline:

- Meaning
- Need for consumer education
- Importance of consumer education
- Consequences of lack of consumer education

Consumer education is the preparation of an individual through skills, concepts, and understanding that are required for everyday living to achieve maximum satisfaction and utilization of his/her resources. It is defined as education given to the consumer about various consumer goods and services, covering price, what the consumer can expect, standard trade practice, etc. Such information may be relayed through magazines, websites or word of mouth. While consumer education can help consumers to make more informed decisions, some researchers have found that its effects can drop off over time, suggesting the need for education initiatives to be ongoing or periodically repeated.

It is part of the formal school curriculum in many places and incorporates knowledge from many disciplines, including:

- Economics
- Game theory
- Information theory
- Law
- Mathematics
- Psychology

Six consumer rights

In order to safeguard consumer interest, six consumer rights were initially envisioned by consumer rights activists of the West, namely:

1.Right to Safety

2.Right to Information

3.Right to Choice

4.Right to be Heard

5.Right to Redress

6.Right to consumer education

Advantages of consumer education

- Feedback for the business
- Producers and sellers will not take consumers for granted
- Government response
- Consumer – Producer interaction

Consumer education involves three parties

- Business
- Consumers
- Government

ASSESSMENT

- What is consumer education?
- List three consumer rights activists proposed by the West
- What are the advantages of consumer education?
- What are the three parties involved in consumer education?

ANSWER

- Consumer Education is defined as education given to the consumer about various consumer goods and services, covering price, what the consumer can expect, standard trade practice, etc.
 - Right to Safety (ii) Right to Information (iii)Right to Choice
- Feedback for the business (ii) Producers and sellers will not take consumers for granted (iii) Government response
- Business (ii) Consumers (iii) Government

Week 3

Topic: Factors of Production

Content:

Meaning of factors of production

Meaning

What are 'Factors Of Production

Factors of production is an economic term that describes the inputs that are used in the production of goods or services in order to make an economic profit. The factors of production include land, labor, capital and entrepreneurship. These production factors are also known as management, machines, materials and labor, and knowledge has recently been talked about as a potential new factor of production.

Factors of production include any resource needed for the creation of a good or service. At the core, land, labor, capital and entrepreneurship encompass all of the inputs needed to produce a good or service. Land represents all natural resources, such as timber and gold, used in the production of a good. Labor includes all of the work that laborers and workers perform at all levels of an organization, except for the entrepreneur. The entrepreneur is the individual who takes an idea and attempts to make an economic profit from it by combining all other factors of production. The entrepreneur also takes on all of the risks and rewards of the business. Capital is made up of all of the tools and machinery used to produce a good or service.

An Encompassing Example of the Four Factors of Production

Often times, a good or service uses each one of the four factors of production in the generation of its output. If, for example, a young technology developer senses the need to create a new social media tool, in this case, Facebook. He becomes an entrepreneur when he assumes the risk of the idea's success or failure. Mark Zuckerberg allocates his hour toward this new venture, and by coding the minimum viable product himself, he is the only factor of production.

The product begins to take shape, and the young entrepreneur soon realizes that he needs help building the product, and along with co-founder Eduardo Saverin, goes out to recruit additional employees. He hires two people, an engineer (Dustin Moskovitz) and a spokesperson (Chris Hughes), who both allocate hours to the project, meaning that each one of the hours they invest becomes a factor of production. Zuckerberg also decides that they'll need to rent server space to continue developing the product, and charges 10,000 users \$85 a month, and the cash that's invested also becomes a factor of production.

At first, there is no need for land. However, as the business continues to grow, the product becomes very reliant on server space, which is needed to make the product function. Zuckerberg decides to use his own money to increase the rented server space. Eventually, Facebook needs their own data center to meet growing demand, and since the servers are made from silicone and take up warehouse space, and they become the final factor of production.

Factors of Production can be defined as the basic resources or agents used for producing goods and services. Factors of production make it possible for goods and services to be produced in the required quantity and quality.

The factors of production are land, labor, capital and entrepreneur.

LAND: The land is a free gift of nature; it refers to the resources provided by nature to aid the production of goods and services. Examples of land are rivers, farmlands, seas, the fishes in them, forestry minerals such as coal, crude oil, iron etc. Others are the climatic conditions like rain, sunshine, animals etc.

Features of Land

The following points below are the features/ characteristics of land

- Land is immobile i.e. the location of land cannot be changed, it is fixed.
- The value of land varies from one location to another.
- It is a free gift of nature
- The supply of land is limited
- The reward for labor is rent

LABOUR: Labour is the mental or physical efforts of man which is directed towards the production of goods and services. Examples of labor are the work of farmers, carpenters, teachers, policemen etc.

Features of Labour

- Labour is mobile i.e. can move from one location to another
- Labour controls other factors of production
- Labour has feelings
- Labour requires motivation
- Labour is not fixed
- Labour is a human factor

CAPITAL: Capital is defined as the man made assets used in production. It is the man made wealth used in the production of other goods. The reward for capital is “interest”

Features of Capital

- Capital is man made
- Capital is durable
- Capital exist in different forms
- It promotes division of labour
- Capital exist in different forms

ENTREPRENEURS: The entrepreneur is the person who combines the all other factors of production. He coordinates and directs the factors of production to produce goods and services.

Features of Entrepreneur

- The entrepreneur takes the risk in a business
- He coordinates and manages all the other factors of production
- The entrepreneur makes the decision in the organization
- Provides the capital
- The reward for an entrepreneur is “profit”

Practice Questions

1. The reward for land as a factor of production is _____
(a) profit
(b) interest
(c) rent
(d) wages
2. The following are factors of production except _____
(a) labour
(b) land
(c) industry
(d) capital
3. Which one of the following is a distinguishing feature of capital
(a) it is created by man but set aside for future use
(b) it is fixed
(c) it's reward is rent
(d) it is a free gift of nature

4. The manager of the business is referred to as _____
(a) labour
(b) adviser
(c) entrepreneur
(d) none of the above
5. Which of the following is not a good example of land _____
(a) gold
(b) seas
(c) rivers
(d) bridge

Answers

1. C
2. C
3. A
4. C
5. D

Week 4

Topic: Occupation I

Content:

- **Meaning of Occupation**
- **Classification of Occupations**

A. Occupation

An Occupation can simply be defined as a business, trade or profession which occupies a person's time either permanently or temporarily in order to earn a living.

Occupation is any activity a person does to earn a living.

It could be acquired through training or education, it could also be a natural endowment i.e. talent or a natural skill.

Some occupations do not require any formal education or training. Examples of such occupations are farm labour, factory hands, cattle rearing etc. Such occupations acquire proficiency through experience and practice.

An occupation normally attracts wages or salary as rewards for the work done.

B. Classification of Occupations

1. **Primary/Extractive occupation:** A primary or extractive occupation is occupations concerned with the production of primary products or products that are extracted from nature. Example of Extractive occupation: farmer, fishing, etc
2. **Secondary Occupation:** They are divided into:
 - **Manufacturing occupation:** These are occupations that are engaged in the conversion of raw materials or primary product into finished goods or product. An example is the conversion of crude oil into petroleum, kerosene, and diesel.
 - **Construction occupation:** These are occupations that are involved in the construction and building of houses, bridges, airports, railways etc. Examples of such occupations are a civil engineer, bricklaying, carpentry, architecture, etc.
 - **Commercial/ tertiary occupation:** These are occupations that are directly concerned with making goods produced available to consumers. It involves trade; the act of buying and selling.

- **Service Occupation:** Workers in these occupations make conducive available for their customers to carry out other occupation. Service occupation can be divided into two. Direct and Indirect Occupation
- **Direct Occupation:** Direct occupation is the means of rendering direct services to those who employed them. It is the service rendered straight to the final consumers. Examples of direct occupation are teachers, lawyers, doctors, tailors, accountants etc.
- **Indirect Occupation:** Indirect service occupation describes those occupations whose services are not for direct consumption by the public. They are not paid directly by the consumers. They are paid by the government from the public tax. Examples of indirect services are policemen, lawmakers, civil servants etc.

Test and Exercise

1. _____ is a business, trade or profession which occupies a person's time either permanently or temporarily in order to earn a living. (a) trading (b) occupation (c) commerce (d) service
2. The aim of occupation is _____ (a) to have a place to go (b) to be busy (c) to earn a living (d) to lie against people
3. The occupation that deals with extraction of products from their natural source is (a) manufacturing occupation (b) tertiary occupation (c) primary occupation (d) construction
4. Example of a direct service occupation is all of these except (a) policemen (b) hairdressers (c) tailors (d) doctors
5. The type of service whose salaries are paid from the public tax is (a) direct service (b) indirect service (c) primary occupation (d) secondary occupation

ANSWER

1. B
2. C
3. C
4. A
5. B

Week 5

Topic: Occupation II

Factors Affecting Occupation

The following points below are factors that affect Occupation

- **The level of education:** The level of a person's education will have a long way in determining the type of occupation and salaries such a person will get. Education is an important factor that affects an occupation. With education, a person can go into non-specialized occupations like civil service. A minimum level of education should be set for people entering into the labour market.
- **The level of security:** The level of security in a country will determine the type of occupation people will engage in. If there is no security of life and property, people will not like to go into any occupation or some certain type of occupation like army or police.
- **The level of Economic Development:** An economy that is developed will attract people to engage in more occupation than an economy with no or low development. Economic development will make people who engage in a primary occupation to reduce and increase the number of people who engage in manufacturing occupation.
- **Special Skills:** Special Skills are like talents but expressed in physical ability. Examples are musicians, wrestlers, footballers etc.
- **Talents:** Talent is a rare God given ability to excel in doing something.
- **The level of pay:** People are attracted to some occupation because of the high level of pay they get from their employers. For example, young graduates now rush for work in the oil and gas company because of the high pay they will get as salaries.
- **Strong trade union:** Some occupations are protected by a very strong union, this union decides the level and the type of people to be employed in their field, the union regulates the employment rate of pay and the tenure of the individual employee.

ASSESSMENT

1. All the followings are factors that can affect occupation except (a) education (b) economic development (c) the level of pay (d) the level of beauty
2. God-given ability to excel in doing something is (a) talent (b) strong trade unions (c) the level of pay (d) special skills

3. Trade unions have authority to regulate the employment rate in a particular profession.
Yes/ No
4. The occupation that is concerned with making the products available to the final consumers is (a) extractive occupation (b) construction occupation (c) commercial occupation (d) primary occupation
5. Examples of those who render indirect services are the following except (a) hairdresser (b) Goldsmith (c) policemen (d) farmers.

ANSWER

1. D
2. A
3. Yes
4. C
5. A

Week 6

TYPES OF OCCUPATION

CONTENT:

- Meaning of occupation
- Division
- Factors which affect occupation
- Difference between direct and indirect services

Meaning:

Occupation is a business or what someone does to earn a living. Somehow, we all must engage in one job or another at some point in order to meet our needs. These are various kinds of work that a person can do to earn a decent living. Some occupations involve extracting resources from the soil and water e.g. farming, fishing, mining or changing the form of raw materials to finish goods or semi-finished goods e.g. manufacturing, extraction and construction. Others are service providers. E.g. Police, Doctors, etc.

Classification of Occupation

Occupations are classified based on the nature of work. Occupation basically has THREE categories.

- Industrial Occupation
 - Commercial Occupation
 - Services
1. **Industrial Occupation:** This involves people who are engaged in the physical production of goods. They also include the assembling and putting of component parts together to make it whole.

The following is a list of industrial occupations. These individuals are generally characterised by being manual-labor-intensive and requiring little or no formal education.

- Auto mechanic
- Beader
- Bobbin boy

- Clerk of the Chapel
- Filling station attendant
- Foreman
- Maintenance engineering
- Mechanic
- Miller
- Mold maker
- Panel beater
- Patternmaker
- Plant operator
- Plumber
- Saw filer
- Shop foreman
- Soaper
- Stationary engineer
- Wheelwright
- Woodworkers
- Bartender
- Waiter
- Construction worker
- Cashier
- Factory worker
- Plumber

2. **Commercial Occupation:** This set of people is engaged in all commercial activities associated with finished products from the industrial sector. They include: Traders, transporters, bankers, etc.

3. **Service Occupation:** These are people who render services to people or companies. They are not directly involved in actual production of goods. Examples include Civil servants, Police, Lawyers, Cleaners, etc.

Factors That Determine Types of Occupation

1. Climate and weather differences
2. Education, Skill and Training
3. Natural Resources
4. Salary and Wages
5. Government Policy
6. Industrial hazards
7. Religious Influences

Types of Occupation: a. Profession b. Employment and c. Business

We all know that economic activities are undertaken to earn money. Generally, people engage themselves in such activities on a regular basis and are said to be engaged in their occupation.

Thus, occupation means keeping oneself engaged or occupied in some gainful economic activity on a regular basis to earn one's livelihood.

For example, doctors treat patients, lawyers provide legal services, workers work in offices and factories, teachers teach in schools and colleges and shopkeepers buy and sell goods to earn their livelihood. In this way they are all engaged in occupations.

Occupations may be classified into three broad categories:

- a. Profession
- b. Employment
- c. Business

Let us now understand each of them in detail:

(a) Profession:

A person may not be an expert in every field. So, we require services of others who are specialised in one field or the other. For example, we need the services of doctors for our treatment, lawyers to get legal support etc. They are all engaged in profession. Thus, profession refers to an occupation, which requires specialised knowledge and training to pursue it.

Let us know about the characteristics of a profession:

(i) Specialised knowledge:

Every profession requires specialised knowledge to be acquired through training. This knowledge cannot be inherited. A doctor's son cannot become a doctor without pursuing the necessary course of studies for medical degree. A lawyer must have knowledge and training in law to be able to provide legal service to the people. To be a chartered accountant one has to pass the examinations conducted by the Institute of Chartered Accountants of India.

(ii) Service motive:

The primary objective of every profession is to provide service. The professionals get some remuneration for providing such services. Thus, doctors, lawyers, and other professionals work with service motive and in the process earn money for their livelihood.

(iii) Regulated by professional body:

A professional body regulates every profession. For example, Institute of Chartered Accountants of India, Bar Council of India and Medical Council of India are the professional bodies established to regulate the functions of chartered accountants, lawyers and doctors in India, respectively.

(iv) Code of Conduct:

These professionals have a code of conduct developed by the concerned professional body. This is to be followed strictly by each professional. This ensures uniformity in working of all the professionals.

(b) Employment:

Employment refers to an occupation in which a person works regularly for others and get wage/salary in return. Government servants, company executives, bank officials, factory workers are all said to be in employment. Let us learn about the characteristics of employment:

(i) Work for others:

People engaged in employment always work for someone else. They are not free to decide the work to be done. They have to follow the instructions of their boss or employer.

(ii) Terms and conditions:

In employment, there are certain terms and conditions regarding work to be performed, hours of work, amount of remuneration and other facilities, if any. The employer who offers employment normally decides these conditions. The person seeking a job must join the work only after being satisfied with the terms and conditions.

(iii) Fixed income:

The remuneration payable to an employee is fixed and is paid in the form of wage or salary. An employee gets his wage or salary at regular intervals. This may be on daily or monthly basis.

The increments in pay, dearness allowance and other allowances are also payable on the basis of the terms and conditions of employment.

(c) Business:

Business refers to an occupation in which goods and services are produced, sold and exchanged in return for money. It is carried out on a regular basis with the prime objective of making profit. Mining, manufacturing, trading, transporting, storing, banking, and insurance are examples of business activities.

Vocation:

Sometimes people earn their livelihood through vocation. Vocation basically means possession of a specific skill and its application towards earning a livelihood. For example people like carpenter, tailor, plumber, beautician, musician, electrician, computer operator etc. are said to be in a vocation as they all possess some special skills to keep themselves occupied either in business or in employment.

ASSESSMENT

1. Define occupation
2. Occupation basically has THREE categories, what are they?
3. Identify five factors that determine types of occupation

Week 7

Topic: Honesty In Business

Contents:

- Meaning of truthfulness
- Attributes of truthfulness
- Factors that make people to tell lies
- Rewards of truthfulness
- Consequences of not being truthful
- Meaning of fair play
- Attributes of fair play

A. Meaning of Truthfulness

The purpose for any business or organization is to make profit. Therefore, for a business to make profit, the employee and the employer need to be faithful and honest to one another.

Truthfulness simply means saying what is true. To be truthful is when the truth fact about something is presented. To be truthful is saying what the situation is without lying.

Truthfulness therefore means giving the true facts about something without any form of lies.

B. Attributes/ Characteristics of Truthfulness

Attributes of truthfulness are:

- **Steadfastness:** To be steadfast means not changing one's attitude or aims. It helps the truthful person to keep developing and growing in regular way.
- **Straightforwardness:** A truthful person will tell people honest things. He will say things exactly the way they are. He will say what he has to say not minding who is listening.
- **Consistent behavior:** A person who is truthful will show reflection of a truthful person in his/ her behavior. The more we tell the truth the more it affects our behavior and people know and believe whatever we say is nothing but the truth.

C. Factors that make people to tell lies

People tell lies because of the following reasons

- **Greed:** When someone is always thinking of himself alone, he is said to be a greedy person. A greedy person will always tell lies because what should be shared among 10 people will be his own alone.
- **Habit:** Some people already made lying their habits. Some will never tell the truth. They see lying as part of life.
- **Laziness:** A lazy person will always lie to cover up for his/her laziness.
- **Fear:** A fearful person finds it very easy to tell lies because he does not want to be punished.
- **Friendship:** If you have liars as friends, then it is so sure that you will also be a liar

A. Rewards of Truthfulness

The rewards of truthfulness are as follows

- **Promotion:** A truthful person will be promoted wherever he/ she is because he will be easily recognized by everyone around him/ her.
- **Peace of mind:** A liar can never have rest of mind because he will be scared his lies will catch up with him, but a truthful person will have rest of mind and will not have any reason to fear.
- **Ability to keep important relationships:** A truthful person will be a good leader, wife, husband, students etc. and therefore a good member of the society.
- **Trustworthiness:** A truthful person can be trusted, so can be put in a position of authority.

B. Consequences of not being truthful

The consequences of not being truthful are listed below:

- It leads to shame
- It will lead to Business failure
- It will increase the level of unemployment
- It makes a person to be separated from good friends
- There will be Leadership failure
- There will also be Marital failure

C. Meaning of Fair play:

Fair play means acting or playing honestly, fairly and according to the rule. When fair play is used, no one feels cheated and relationship grows.

D. Attributes of Fair play

- **Openness:** a fair play does not give room for secrets agenda, it creates room for transparency. Everything is done in a free and fair manner.
- **Impartiality:** There is no partiality, no one is favoured over another person
- **Equity:** There is rule of equity in fair play, no one is considered better than another person, and everybody is given equal right.

Test and Exercise

1. The aim of any business is (a) to make profit (b) to increase workers (c) to become recognized (d) to make loss
2. _____ is giving the true facts about something without any form of lies. (a) integrity (b) love (c) truthfulness (d) faith
3. All the following are attributes of truthfulness except (a) steadfastness (b) gossiping (c) consistent behavior (d) straightforwardness
4. When someone is always thinking of himself alone, he is said to be (a) greedy (b) loving (c) caring (d) nice.
5. All the following factors make a person lie except (a) laziness (b) fear (c) habit (d) education
6. One of the rewards of truthfulness is (a) disappointment (b) rejection (c) promotion (d) hatred
7. All are consequences of not being truthful except (a) it makes a person a good leader (b) It leads to shame (c) It will lead to business failure (d) it can lead to marital failure
8. The act of playing honestly, fairly and according to the rule is (a) strong play (b) fair play (c) wicked play (d) unwanted play
9. The attributes of fair play are all of these except (a) openness (b) equity (c) impartiality (d) partiality
10. Truthfulness is a value that everyone must cultivate. True/ false

JSS1
BUSINESS STUDIES
THIRD TERM

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Week 1

Topic: Source Documents

Content:

- Meaning of Source Documents
- Uses of Source Documents
- Types of Source Documents

Meaning – Source Documents

These are the documents in which original business transaction are first recorded before they are transferred into subsidiary books of account

Examples of source documents are:

- Invoice
- Receipts for payments made
- Credit notes
- Debit notes
- Return outward journals
- Return inward journals
- Vouchers

Uses and Contents of Source Documents

- **Invoice**

When business transactions are made, the seller will issue a document to the buyer. This will contain a list of good sent, with prices as well as the date of dispatch. This document is called an invoice. An invoice is therefore a document issued by a seller to a buyer showing the description of good purchased, the quantity bought and the price. It may also contain any deposit paid and the balance outstanding. When an invoice is sent by the seller, it is sales invoice and the book keeper will enter its particulars in the sales journal.

When invoice is sent to the buyer, it is purchase invoice. The book keeper will enter the transaction in the sales journal.

Invoice

INVOICE

Frameworks18180 S 134Bennet, NE 68317

Re: Brian Reinwald

Weekly expense distribution

Invoice No	Date	Terms
	May 1-7	Weekly payout
	Description	Amount Owed:
1200	Employee per diem	450.00
	Mileage Allowance	250.00
	Cell Phone Expense	25.00
	Misc. Necessities Expense	150.00
	Invoice Total	\$875.00

Receipts for Payment

This is got when business transactions are made strictly on cash basis. To make the transaction effective, the seller will issue a document to the buyer. This document will show among others:

- That the buyer of the goods has paid
- And the quantity and quality the buyer purchased.

Cash Receipt		Receipt Number: _____						
		Date: _____						
Received From _____ the amount of \$ _____								
For _____								
Current Balance: \$ _____	<table border="1"><tr><td><input type="checkbox"/></td><td>Cash</td></tr><tr><td><input type="checkbox"/></td><td>Cheque</td></tr><tr><td><input type="checkbox"/></td><td>Money Order</td></tr></table>		<input type="checkbox"/>	Cash	<input type="checkbox"/>	Cheque	<input type="checkbox"/>	Money Order
<input type="checkbox"/>			Cash					
<input type="checkbox"/>			Cheque					
<input type="checkbox"/>	Money Order							
Payment Amount: \$ _____								
Balance Due: \$ _____								
Received By: _____								

Cash Register

At the close of business for the day, the book keeper will have to enter all his cash receipts into another document known as cash register. These accounting entries are otherwise known as cash transfer entries. A cash register shows the total amount of cash received for the day, the invoice number, and the goods specification. i.e. the quality, quantity, and the price per commodity.

Credit Note

A credit note is normally printed in red. This is to distinguish it from an invoice. It is used by the seller when there is a return inwards by the buyer. This may occur if the goods supplied by the seller is faulty, overcharged or not supplied at according to the specification in the Goods Received Note.

When the goods are received by the seller, he will credit the buyer's account with the amount of goods returned by the buyer.

Credit Note

Chukwudi & sons Ltd.,
1985

20th July,

Wire road, Otukpo.

No

Date	Particulars	N	K	N	K
5 th June 2007	Two bags of cement return reference invoice no 4 of 5/6/08	5	00	10	0

Debit Note

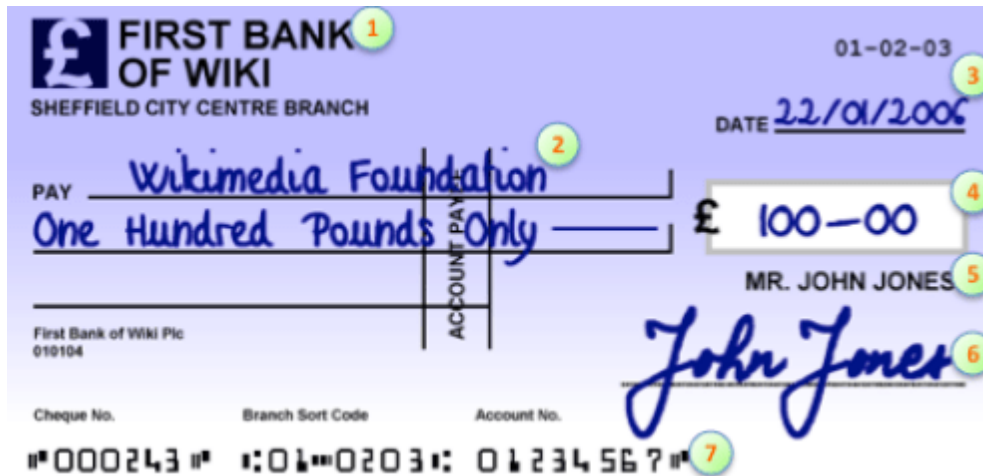
Debit note is issued by the seller to the buyers to notify him that the defected goods which he returned has been received. This note will show the amount the seller is owing the buyer or in most cases that the amount shown in the note has been debited to his (buyer) account.

Cheque

A cheque is a written order made by the drawer to the banker (drawee to pay on demand a stated sum of money to a named person (payee)

- The drawer is the owner of the account and he writes the cheque.

- The drawee is the banker to which the instruction is sent.
- The payee is the person to which the amount written on the cheque will be paid to.



ASSESSMENT TEST

- The kind of documents in which original business transaction are first recorded before they are transferred into subsidiary books of account is known as
 - original document
 - cash document
 - transfer document
 - source document
- _____ is the document issued to the buyer by the seller when a business transaction is made
 - teller
 - invoice
 - credit note
 - received note
- The book keeper enters the records of transactions into the
 - sales book
 - sales document
 - sales invoice
 - sales journal
- A credit note is issued when/ifb
 - the seller does not want to sell the goods
 - the buyer is satisfied with the goods

- (c) the goods supplied by the seller is faulty
- (d) the buyer has finished using the goods

5. One of these is not true of a cheque

- (a) The payee is the person to which the amount written on the cheque will be paid to
- (b) anyone can withdraw a cheque if they know the issuing bank
- (c) The drawee is the banker to which the instruction is sent
- (d) The drawer is the owner of the account and he writes the cheque

ANSWERS

- 1. d
- 2. b
- 3. d
- 4. c
- 5. b

Week 2

Topic: Journals

Content:

- **Meaning**
- **Types**
- **Forms of Journals**

Introduction – Journals

The journal is a book of original entry where the details of transactions other than the normal cash transactions are first recorded. As with day books, the journals, apart from being a book of original entry, also records the transfer of items between accounts. The journal facilitates the correction of errors that may occur during the process of book-keeping.

Every journal entry must be accompanied by a narrative stating the nature of the transaction. This is very important when *journalizing*.

Special journals include, among others:

- Sales journal
- Purchases journal
- Return outward journal
- Return inward journal

Date	Particulars	Folio	Dr .	Cr .
25th June, 2014	Cash a/c To sales Being the sales of goods For cash		50 0	50 0

--	--	--	--

A typical journal form will look like this one above

Types of Journals

Sales Journal

The sales journal helps the seller to keep track of the sales of items that customers(buyers) have purchased. It lists the order of each sales invoice showing the date, the name of the buyer to which the goods has been sold, the number of the invoice for reference purposes and the net amount of the invoice.

Purchase Journal

This is used to record purchases in an orderly manner. It is also called the purchase day book.

The entries of credit purchase in the books follows a similar pattern to that of the sales. The amount of the invoice (after deducting trade discount if any) is listed in the purchases journal and the items are then posted to the credit of a personal account in the purchases ledger. The invoice will then be filed away for future reference. At the end of the period, the total of the purchase journal will be transferred to the debit account in the general ledger.

Returns Outward Journal

The Purchase Returns and Allowances Journal is a special journal that is used to record the returns and allowances of merchandise purchased on account.

Steps in journalising Returns Outwards

Example of a Returns Outwards transactions are Journalised below:

2009

July 9 Goods returned to Karnot Webb \$40

July 14 Returned goods to Harlot Mcqueen \$50

July 31 Returns Outwards to Clement Rhoden \$60

Returns Inward Journal

When goods are returned by customer or there is a dispute concerning the goods, an allowance is made by the firm. To effect this allowance in the customer's account, a credit note will be sent to him indicating that his account has been credited by the amount of the allowance. This will reduce the amount the customer is owing the supplier.

General journal entry

The general journal is used for adjusting entries, closing entries, correcting entries, and all transactions that do not belong in one of the special journals. If a general journal entry involves an account in a subsidiary ledger, the transaction must be posted to both the general ledger control account and the subsidiary ledger account. Both account numbers are placed in the general journal's reference column to indicate that the entry has been posted correctly.

General Journal			GJ1	
Date	Account Title and Description	Ref.	Debit	Credit
20X1				
Mar. 5	Sales Returns & Allowances	401	200	
	Accounts Receivable–T. Smith	110/AR5		200
	Credit Memo #100–T. Smith			

Sales Returns & Allowances			401		
Date	Explanation	Ref.	Debit	Credit	Balance
20X1					
Mar. 5	CM #100–T. Smith	GJ1	200		200

General journal entries that affect control accounts must be posted to both the general ledger and the subsidiary ledger accounts.

Accounts Receivable			110		
Date	Explanation	Ref.	Debit	Credit	Balance
20X1					4,500
Mar. 5	CM #100–T. Smith	GJ1		200	4,300

T. Smith			AR5		
Date	Explanation	Ref.	Debit	Credit	Balance
20X1					
Mar. 1	Credit purchase	S1	1,000		1,000
Mar. 5	CM #100–T. Smith	GJ1		200	800

Forms of Journals

Cash receipts journal

A cash receipts journal are records of transactions that involve payments received with cash. This journal records the cash inflow of a business. Discount allowed is an expense as the discount allowed is the cost to the seller of obtaining an inflow of cash from a debtor weeks earlier than would be the case.

Cash Payments Journals

Cash Payments Journals record transactions that involve expenditures paid with cash. It records the cash outflow of a business. If the owner of a business withdraws cash from the

business an entry is made in the Cash Payments Journal. Discount received is the cash discount received by a purchaser, it is an income item for the purchaser.

ASSESSMENT TEST

1. Journals, apart from being a book of original entry, also records the transfer of items between
 - (a) merchants
 - (b) bankers
 - (c) accounts
 - (d) buyers
2. One of the uses of journal is that it facilitates
 - (a) correction of errors
 - (b) removal of expenses
 - (c) more business
 - (d) reduction of work
3. A special journal that is used to record the returns and allowances of merchandise purchased on account is
 - (a) return inward journal
 - (b) return outward journal
 - (c) general entry journal
 - (d) book keeping journal
4. These are types of journals except
 - (a) sales journal
 - (b) buyer's journal
 - (c) purchases journal
 - (d) return outward journal
5. The purchase journal is also known as the
 - (a) purchase day book
 - (b) purchase week book
 - (c) purchase month book
 - (c) purchase year book

ANSWERS

1. c
2. a
3. b
4. b
5. a

Week 3

Topic: Double Entry Book Keeping

CONTENT:

- Meaning
- Double entry treatment of assets liabilities, treatment of expenses
- Meaning of Journals
- Meaning of Ledger
- Classes of Ledger
- Classification of Accounts

Meaning- Double Entry Book-Keeping

The double entry system of bookkeeping means that every business transaction will involve two accounts (or more). For example, when a company borrows money from its bank, the company's Cash account will increase and its liability account Loans Payable will increase. This means that for every credit entry, there must always be a corresponding debit entry. Thus, every transaction will be entered twice in the book of one of the two people involved. For example, if Mr. Kokosari pays Mr. Magidun ₦40,000 out of his personal account; he will effect this by crediting Mr. Kokosari cash account and debiting Mr. Madigun's personal account in his (Mr. Kokosari) books. Law of double entry states that for every debit entry, there must be a corresponding credit entry and for every credit entry there must be a corresponding debit entry.

DR	Mr. Kokosari's-Cash	CR
Account		

₦

	Mr.	
Madigun's		40,000.00

DR	Mr. Madigun's	CR
Account		

₦

₦

Cash	40,000.00
------	-----------

The logic behind double entry book-keeping is that we tend to look at accounts as real human beings hence the saying:

- Debit the account that receives
- Credit the account that gives

Debit and Credit

The terms “debit” and “credit” in bookkeeping and accounting simply denote an increase or decrease to the balance of a referenced business account. Using “debit” and “credit” to record increases or decreases of account balances conforms with the underlying occurrence in business transactions. The exchange of financial interests involving two or more business accounts inevitably leads to increases and/or decreases among those accounts. Rules in bookkeeping and accounting dictate that a debit to the accounts of assets, expenses or losses and a credit to the accounts of liabilities, equities, revenue or gains both increase the balance of each of those accounts. A debit decreases the account

balance for liabilities, equities, revenue or gains, and a credit decreases the asset, expense or loss account balances.

Double Entry

The fundamental concept of double entry derives from the use of debit and credit to record business transactions. The total debits always equal the total credits. Customarily, in bookkeeping and accounting, the asset, expense and loss accounts are listed on the left side of a bookkeeping sheet, and the liability, equity, revenue and gain accounts are listed on the right side, with the two sides maintaining the same total balance. A debit to one or more accounts must be accompanied by a credit to at least one account, equally increasing or decreasing the balance on each side. Other times, a debit to either side is balanced out by an equal credit to the same side.

An asset represents a present economic resource of a company to which it has a right or other type of access that other individuals or firms do not have. A right or other access is legally enforceable, which means that a company can use economic resource at its discretion, and its use can be precluded or limited by an owner. For an asset to be present, a company must possess a right to it as of the date of the financial statements. An economic resource is something that is scarce and has the ability to produce economic benefit by generating cash inflows or decreasing cash outflows.

Assets can be broadly categorized into short-term (or current) assets, fixed assets, financial investments and intangible assets. Assets are recorded on companies' balance sheets based on the concept of historical cost, which represents the original cost of the asset, adjusted for any improvements or aging. Historical cost is also called the book value.

Current Assets

Current assets are short-term economic resources that are expected to be converted into cash within one year. Current assets include cash and cash equivalents, accounts receivable, inventory, and various prepaid expenses. While cash is easy to value, accountants periodically reassess the recoverability of inventory and accounts receivable. If there is persuasive evidence that collectability of accounts receivable is impaired or that inventory becomes obsolete, companies may write off these assets.

Fixed Assets

Fixed assets are long-term resources, such as plants, equipment and buildings. An adjustment for aging of fixed assets is made based on periodic charges called depreciation, which may or may not reflect the loss of earning power of a fixed asset. Generally accepted accounting principles (GAAP) allow depreciation under two broad methods: the straight-line method assumes that a fixed asset loses its value in proportion to its useful life, while the accelerated method assumes that the asset loses its value faster in its first years of use.

Financial Assets

Financial assets represent investments in the assets and securities of other institutions. Financial assets include stocks, sovereign and corporate bonds, preferred equity, and other hybrid securities. Financial assets are valued depending on how the investment is categorized and the motive behind it.

Intangible Assets

Intangible assets are economic resources that have no physical presence. They include patents, trademarks, copyrights and goodwill. Accounting for intangible assets differs depending on the type of asset, and they can be either amortized or tested for impairment each year.

What is a 'Liability'

A liability is a company's financial debt or obligations that arise during the course of its business operations. Liabilities are settled over time through the transfer of economic benefits including money, goods or services. Recorded on the right side of the balance sheet, liabilities include loans, accounts payable, mortgages, deferred revenues and accrued expenses.

Liabilities are a vital aspect of a company because they are used to finance operations and pay for large expansions. They can also make transactions between businesses more efficient. For example, in most cases, if a wine supplier sells a case of wine to a restaurant, it does not demand payment when it delivers the goods. Rather, it invoices the restaurant for the purchase to streamline the drop off and make paying easier for the restaurant. The outstanding money that the restaurant owes to its wine supplier is considered a liability. In contrast, the wine supplier considers the money he is owed to be an asset.

Other Definitions of Liability

Generally, liability refers to the state of being responsible for something, and this term can refer to any money or service owed to another party. Tax liability, for example, can refer to the property taxes that a homeowner owes to the municipal government or the income tax he owes to the federal government. Liability may also refer to the legal liability of a business or individual. For example, many businesses take out liability insurance in case a customer or employee sues them for negligence.

Current Versus Long-Term Liabilities

Businesses sort their liabilities into two categories: current and long-term. Current liabilities are debts payable within one year, while long-term liabilities are debts payable over a longer period. For example, if a business takes out a mortgage payable over a 15-year period, that is a long-term liability. However, the mortgage payments that are due

during the current year are considered the current portion of long-term debt and are recorded in the short-term liabilities section of the balance sheet.

Ideally, analysts want to see that a company can pay current liabilities, which are due within a year, with cash. Some examples of short-term liabilities include payroll expenses and accounts payable, which includes money owed to vendors, monthly utilities, and similar expenses. In contrast, analysts want to see that long-term liabilities can be paid with assets derived from future earnings or financing transactions. Debt is not the only long-term liability companies incur. Items like rent, deferred taxes, payroll and pension obligations can also be listed under long-term liabilities.

The Relationship between Liabilities and Assets

Assets are the things a company owns, and they include tangible items such as buildings, machinery, and equipment as well as intangible items such as accounts receivable, patents or intellectual property. If a business subtracts its liabilities from its assets, the difference is its owner's or stockholders' equity. This relationship can be expressed as $\text{assets} - \text{liabilities} = \text{owner's equity}$. However, in most cases, this equation is commonly presented as $\text{liabilities} + \text{equity} = \text{assets}$.

What is the Difference between an Expense and a Liability?

An expense is the cost of operations that a company incurs to generate revenue. Unlike assets and liabilities, expenses are related to revenue, and both are listed on a company's income statement. In short, expenses are used to calculate net income. The equation to calculate net income is $\text{revenues} - \text{expenses}$. For example, if a company has more expenses than revenues for the past three years, it may signal weak financial stability because it has been losing money for those years.

Expenses and liabilities should not be confused with each other. One is listed on a company's balance sheet, and the other is listed on the company's income statement. Expenses are the costs of a company's operation, while liabilities are the obligations and debts a company owes.

Meaning of ledger

A ledger is a book that holds the record of transactions made by a company or business. Until now, the ledger has been referred to as one book, and in a business of a small size, all ledger account could be contained in a small volume. However, in a business of any size, it is needed for a ledger to be subdivided into accounts, so that we can have separate accounts for each transaction. This in essence means that at the end of a particular period all transactions recorded in the journal will now be transferred to the ledger. The sales ledger may be divided into a number of books, each containing an account for each person or firm with whom we have business transactions.

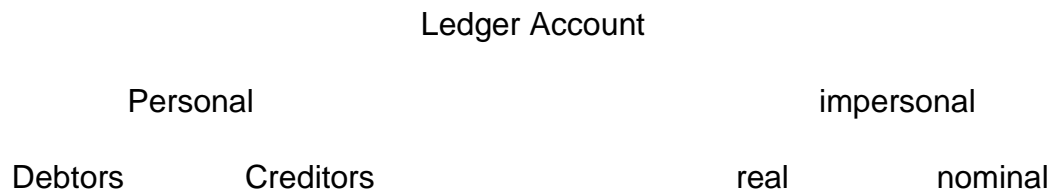
The ledger account is practically divided into two parts: The left hand part is known as the debit side, while the right hand side is known as the credit side. Each side contains the date, particulars, folio number and the amount columns. The date column refers to the date of transaction. Folio column refers to the page number of the journal from where the double entry is completed.

Classification of Ledger

A ledger is classified into two. They include

- Personal ledger; and
- Impersonal ledger

The diagram below illustrates the classification of ledger.



- **Personal ledger:** These are accounts in which persons or organization transactions are recorded. It consists of debtors and creditors.
- **Impersonal ledger:** This is an account that relates to assets, liabilities, income and expenses; it is divided into nominal and real account.

ASSESSMENT TEST

1. Law of double entry states that

- (a) for every debit entry, there must be a corresponding credit entry
- (b) for every debit entry there must be a corresponding debit entry
- (c) for every credit entry there must be a corresponding credit entry
- (d) for every entry there must be a corresponding double entry

2. The accounts in which persons or organization transactions are recorded is known as

- (a) company ledger
- (b) personal ledger
- (c) business ledger
- (d) trade ledger

3. Patents, trademarks, copyrights and goodwill are all examples of

- (a) current assets

- (b) fixed assets
- (c) financial assets
- (d) intangible assets

4. In bookkeeping, a debit decreases the account balance for the following except

- (a) liabilities
- (b) equities
- (c) revenue
- (d) asset

5. If a wine seller supplies a restaurant with wines, the wine seller considers the money he is owed as

- (a) asset
- (b) liability
- (c) insurance
- (d) loan

ANSWERS

- 1. a
- 2. b
- 3. d
- 4. d
- 5. a

Week 4

Topic: Introduction to Keyboarding

Introduction to Keyboarding

Keyboarding is the act of using a typewriter machine to type fast, and in a standard form which makes the material neat, easier to read and preserve. Many copies may be produced at the same time with the help of carbon papers. Keyboarding is very important in all aspects of human life. A business can hardly succeed without typewriting, since no many businesses are prepared to read hand written papers. Keyboarding can also be used for personal correspondence and other important documents such as manuscripts for printing, thesis or dissertation.

The Typewriter

The machine being used for typing is called the **typewriter**. The person who operates the machine is called the typist. There are two types of typewriter. One is manually operated, while the other is electrically operated.

Correct sitting position

In order to be able to operate the typewriter perfectly well, you should follow these rules:

- Sit in erect position with your face on the book you are going to type.
- Your shoulder should be held back and relaxed.
- Put yourself in central position opposite the 'J' key, A hand span away from the machine
- Your body should slope slightly forward from the hip.
- You should relax your arm and your elbows. Do not extend your elbow outward or position them rigidly at your sides. Keep your wrist low in line with the slope of the keyboard.
- You should curve your fingers as if you want to grab a handle bar.
- Keep your knees apart and do not ever cross them.
- Your feet must be flat and placed apart on the floor with one foot slightly in front of the other.

Importance of Keyboarding

Keyboarding is a tech skill that everyone has – more or less. What makes a real difference in knowing how to touch type is how good your typing speed and accuracy really are

- If you touch type at an above-average word-per-minute rate you can save yourself hundreds of hours per year. You'll be more confident in how you handle a computer-based workload, and you'll be giving yourself a head start in comparison to candidates that are not as competent as touch typists.

- By devoting some hours during elementary school to touch typing practice, every student can equip themselves with an essential skill that will pay off time and time again for the rest of their life. Taking typing classes as soon as possible ensures a student gets the most out of this widely applicable skill.
- It helps students prepare well for computer based exams
- But typing is not a skill that only comes handy at school. Every office job imaginable requires typing efficiency. By realizing this, you can understand why it's crucial to master this skill and help your future career goals, and even your personal needs.
- Effective time use :Companies seek employees who can use their time efficiently. They want staff that can do more in less time and can take up extra, last-minute workloads without as much as breaking a sweat.
- Touch typing skills allow you to save several hours each week. In a world where productivity is becoming an obsession, you can stay ahead of the rest with this seemingly simple tech skill by getting the most out of every minute.
- Focus: Typing skills let you improve your focus on any given computer task. A proficient typist has mastered this motor skill, so it becomes an automated cognitive process, pretty much like riding a bicycle. You don't think about what you're doing when you type, you just do it. As a result, the process of writing reports or working with a keyboard becomes something you don't have to devote mental energy to, leaving your mind free to process other information. When you don't need to look at your keyboard several times every minute to ensure you're pressing the right keys, you allow yourself to focus on the ideas and thoughts that come next. Essentially, typing skills boost your cognitive efficiency.
- Professional image boost: With great typing skills you can significantly boost your professional status. A person who touches types with ease and speed appears much more confident and knowledgeable — even if these are not necessarily correlated with touch typing efficiency.
- Your professional image can make or break your career, and with improved typing skills you can see that your manager or boss is impressed by your performance and efficiency.
- Protect your health: Carpal tunnel syndrome – yikes. People who don't know how to sit properly, or correctly place their fingers and wrists on the keyboard, risk getting wrist issues and neck and shoulder stiffness.
- Knowing how to touch type in the most time-efficient manner, in a way that doesn't put your health at risk, is an invaluable benefit touch typing grants you.
- People who have mastered touch typing know how to touch type with minimum wrist and finger fatigue and know how to type with their neck and shoulders relaxed. Touch typing ergonomics safeguard you from carpal tunnel syndrome and other forms of wrist pain and damage.
- Essential for the development of other skills
- Keyboarding is a tech skill that is quickly becoming central in education, the marketplace, and in people's lifestyles as a whole.
- Typing helps you improve and learn new skills through a computer or any other device that is keyboard based. From learning to code to learning a new language online, you can improve your employability and marketability just because your typing skills accelerate these learning processes.

In summary, keyboarding skills can help you in your present academic responsibilities and ensure your future career prospects. It will even help your personal development. Not only will you protect your health by learning how to touch type correctly but you will also boost your productivity and work focus and have a means to easily acquire and master other skills and talents.

Posture for keyboard

- A chair that helps you keep your normal spinal curvature. A supportive chair:
 - Is adjustable, so that you can set the height to rest your feet flat on the floor. Keep your feet supported on the floor or on a footrest to reduce pressure on your lower back. Some people like to sit in a slightly reclined position because it puts less stress on the back, although this may increase stress on the shoulders and neck when reaching for items.
 - Supports your lower back.
 - Has adjustable armrests that allow your elbows to stay close to your sides. If you are not comfortable with armrests, move them out of your way. It is still important to keep your arms close to your sides even if you choose not to use armrests.
 - Has a breathable, padded seat.
 - Rolls on five wheels for easy movement without tipping.
- A computer keyboard and keyboard tray that allow comfortable typing or keying.
 - Your keyboard should be at a height that allows your elbows to be bent about 90 degrees and close to your sides.
 - Many keyboards and keyboard trays have wrist supports to help keep your wrists in a neutral, almost straight position. But wrist pads are just there for brief rests. They are actually not meant to be used while you are typing. But some people find the pads helpful even when they are using their keyboard or mouse. When you type or use your mouse, try raising your forearms a little so your wrists are in a neutral position and your arms and hands can move freely. If you have arm rests on your chair, you may be able to adjust them so your forearms are parallel to the floor and your wrists are neutral. Your wrist is in a neutral position when the thumb is in line with the forearm and the wrist is bent slightly back, such as when your arm is hanging at your side. You may want to alternate between resting your wrists on the pads and raising them up. If you use a wrist pad, it's best to rest your palm or the heel of your hand on the support, rather than your wrist.
 - The tilt of the keyboard can be adjusted. Some people find it more comfortable if the keyboard is flat or tilted slightly down at the top. Try different tilt angles to see what is most comfortable for you.

ASSESSMENT

1. Define Keyboarding?
2. List 5 importance of keyboarding?

Week 5

Topic: Parts of Computer Keyboard

Parts of Computer Keyboard

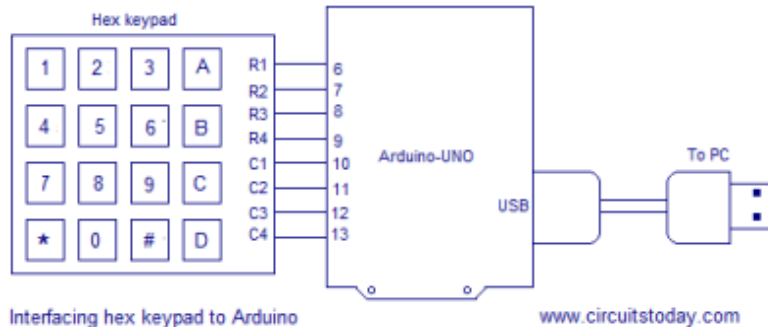
The computer keyboard is an input device, It is through the computer keyboard that we are able to type into the computer.

The computer keyboard is basically divided into five sections made up of different keys that perform specific function, i.e.

- **Alphanumeric keys sections:** These are used to type alphabets and numbers (Aa-Zz) and (0-9). It contains symbols and special characters too.



- **Numeric Keypad:** These keys are extremely right of all modern computer keyboards.



- **Function Keys:** These are twelve in number F_1 - F_{12} and are located horizontally on the first row of computer keyboard.



- Control Keys: They are used together with other keys to instruct the computer to perform special task they are **Ctrl**, **Del**, **Esc** and
- **Cursor control keys or cursor manipulation key**: This allows the user of a computer keyboard to move the cursor to the left, right, up one line and down one.

They are also called **arrow keys**.



Similarities between Typewriter and Computer Keyboard

- Their keys are in rows.
- They both use space bar used for making space between words or letters.
- The operators use fingers to type through the keys.
- The second row of the two contains the home based keys (a s d f ; l k j) where the fingertips rest when they are not striking.
- They are used to enter data.
- They both have alphabet and numeric keys

Assessment

Analyse the Similarities between a Typewriter and a Computer Keyboard

Week 6

Topic: Correct Keyboarding Technique

Correct Keyboarding Technique

In order to develop optimal keyboarding speed and accuracy, students need to use proper technique. Not only does proper keyboarding technique help develop skill, but it also helps prevent the development of RSI (repetitive stress injury, more commonly known as carpal tunnel).

What constitutes correct keyboarding technique?

Correct keyboarding technique requires proper hand positioning at the computer keyboard and learning to key by touch, thus enabling eyes to remain on the copy rather than watching fingers.

Correct Technique Criteria:

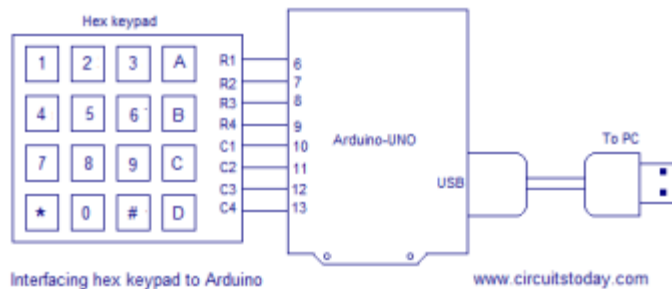
1. Position feet on floor for balance (don't cross).
2. Center body to the "H" key with elbows at sides.
3. Sit up straight.
4. Adjust chair so you are a "hand span" away from edge of keyboard.
5. Curve fingers over the home keys.
6. Keep wrists off the keyboard.
7. Keep eyes on printed copy.
8. Key by touch.
9. Key with a smooth rhythm.

Division of the keyboard

- **Alphanumeric keys sections:** These are used to type alphabets and numbers (Aa-Zz) and (0-9). It contains symbols and special characters too.



- **Numeric Keypad:** These keys are extremely right of all modern computer keyboards.



- **Function Keys:** These are twelve in number F_1 - F_{12} and are located horizontally on the first row of computer keyboard.



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They are also called **arrow keys**.



Keys on the computer keyboard

Alt key – a computer key that you press together with another key so that the other key does something different from what it usually does. You can also refer to this key simply as Alt.

arrow key – one of four computer keys marked with an up, down, left, or right arrow, used for

moving the cursor

backspace – the key that you press on a keyboard to move one space backwards in a document

caps lock – a key on a computer keyboard that makes all the keys produce capital letters

character set – a complete set of letters, numbers, or symbols that can be used by a computer

command key – on some computers, a key that you press together with another key to make the computer do a particular thing

control – the control key on a computer keyboard

control key – a key on a computer keyboard that is used in combination with other keys for doing particular operations. This key is usually marked 'Ctrl'.

ctrl abbreviation

control: the control key on a computer keyboard

delete key – a computer key that removes characters. This key is sometimes simply referred to as del.

enter key – a key on a computer keyboard that makes the computer perform an action or start a new line of writing

escape – the escape key on a computer

escape key – a key on a computer keyboard that allows someone to stop an action, leave a program, or return to a previous menu. This key is usually marked 'Esc'.

function key – a special button on a computer keyboard that is used for a particular operation in a program. The keys near the top of a keyboard marked 'F1' to 'F12' are function keys.

hot key – a key on a computer keyboard that provides a short way of performing a set of actions

key – one of the parts that you press on a keyboard to make it produce letters, numbers etc

keypad – the part at the side of a computer keyboard that has number keys and arrow keys on it

numeric keypad – the part of a computer keyboard to the right of the main keys that has keys with numbers on them

Num Lock – a computer key that you press to make the number keys below it enter numbers and not be used for moving up and down a document

pound key – American the hash key on a telephone keypad or computer keyboard

return key – a key on a computer keyboard that makes the computer perform an action or start a new line of writing

shift – computing a shift key on a computer keyboard

shift key – the key that you press on a computer keyboard when you want to write a capital letter

short cut – computing a computer icon or a combination of keys on the keyboard such as 'Alt + C' that helps you to do something on the computer more quickly, for example go to a particular program or copy information

space bar – the long narrow bar at the front of a computer keyboard that you press to make a space between words when you are typing

star key – the key with the asterisk symbol (*) on a telephone keypad or computer keyboard

tab – computing a button on a computer keyboard or typewriter that you press to move several spaces along the same line

tab key – a tab on a computer keyboard

toggle – computing a key or command (=instruction) on a computer that you use to move from one operation or program to another and back again

touchpad – computing a small flat surface on a laptop computer that you touch with your finger in order to move the cursor on the screen.

ASSESSMENT

1. List FIVE correct Technique criteria?
2. List TEN keys of the computer keyboard you know?

Week 7

Topic: Home Row Keys

Home Row Keys

The **home row keys** are the row of keys on the computer keyboard your fingers rest on when not typing. For example, on the standard QWERTY United States keyboard, the home row keys for your left-hand are A, S, D, and F and your right-hand are J, K, L, and ; (semicolon). For both hands, the thumbs rest on the spacebar. By positioning your hands correctly on the home row keys, you can memorize where all other keys on the keyboard are located.



As seen in the above picture, your hands should lay naturally on the middle row of keys (home row keys) of the keyboard. Your left-hand index finger should be on the letter “F,” and your right-hand index finger should be on the letter “J” and both thumbs should be on the spacebar.

Tip: You can quickly identify where your hands should be positioned without looking at the keyboard by feeling for small bumps that should be on the letter “F” and “J.”

Placing your finger on the home row key

Placing your fingers on the home row keys helps increase your typing speed because of the ability to access all other keys by moving your fingers up or down to keys on the other rows. Faster typing relies on each finger pressing specific keys that are nearby, without having to move your whole hand or other fingers.

Your left index finger is also used to press the G key, and your left pinky presses the Caps Lock key. On your right-hand, in addition to the J, K, L, and ; (Semicolon) key your right index finger is also used to press the H key, and your right pinky presses the ' (single quote) and Enter keys. Also, pressing and holding the left Shift key while pressing the ; key allows you to type a : (colon) and pressing ' types a " (quote).

How many letters on home row keys?

On a QWERTY keyboard, there are nine letters (A, S, D, F, G, H, J, K, and L) on the home row. On a Dvorak keyboard, there are ten letters A, O, E, U, I, D, H, T, N, and S on the home row.

How many total keys are on the keyboard home row keys?

If you count all keys on the home row, there are a total of 13 keys. Keys on the home row that are not letters include the Caps Lock key, semicolon and colon key, single quote and quote key, and the Enter key.

On the Dvorak United States keyboard, the home row keys on your left-hand are A, O, E, and U and your right-hand are H, T, N, and S, with the thumbs resting on the spacebar.

While it has been suggested that Dvorak keyboard users can type faster than QWERTY keyboard users, it depends on each user. Some users are just naturally faster at typing than others, regardless of the type of keyboard used.

What are the home row keys of the numeric keypad?

The home row keys of the numeric keypad are 4, 5, and 6. To position your hand on the home row keys of the numeric keypad place your right-hand index finger on the number four. Your right-hand middle finger should then naturally lay on the number five, the ring finger should be on the number four, and your pinky should be on the plus symbol.

Importance of the home row keys

- It is the line of keys that you place your fingers on when typing. This is a way that most people type fast
- They are the initial resting place for the finger in touch typing
- Once they are recognized, the location of the keys for the rest of the alphabet are automatically known for a trained typist
- The home key rows are A S D F G H J K L

ASSESSMENT

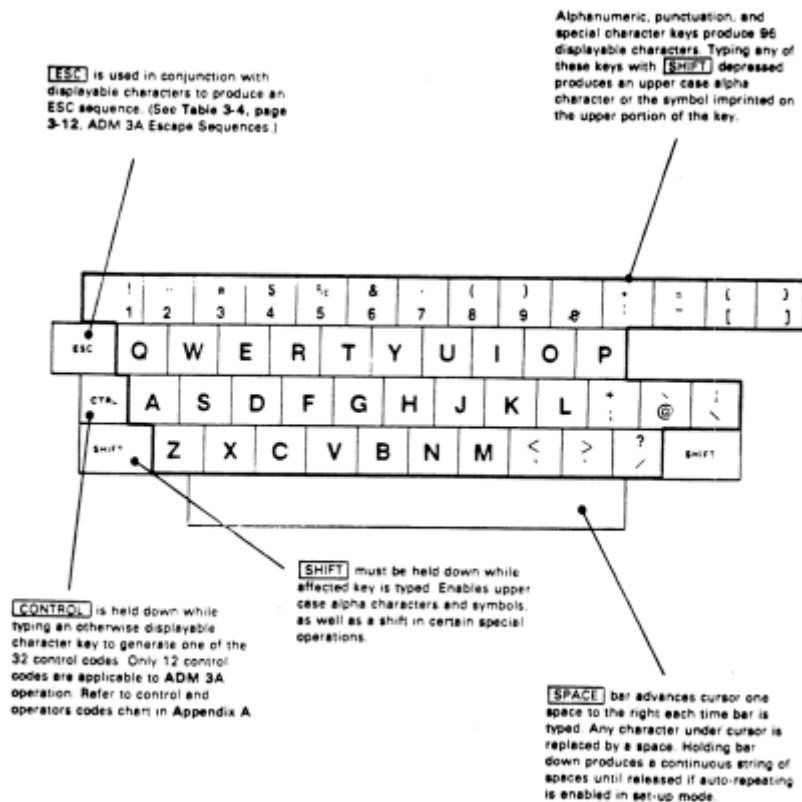
1. What are Home Row Keys?
2. List 4 importance of the home row key

Week 8

Topic: Alphanumeric Keys

Identification of the alphanumeric keys on the keyboard

The alphanumeric keys are used to type alphabets and numbers (A-Z) and (0-9). It contains symbols and special characters too.



The alphanumeric keys consist of QWERTYUIOPASDFHJLZXCVBNM, the number keys 1234567890, and some symbols

Soft Touch Manipulation

Touch Typing

Touch typing (also called **touch type** or **touch keyboarding**) is typing without using the sense of sight to find the keys. Specifically, a touch typist will know their location on the keyboard through muscle memory. Touch typing typically involves placing the eight fingers in a horizontal row along the middle of the keyboard (the *home row*) and having them reach for other keys. Both two-handed touch typing and one-handed touch typing are possible. Touch typing is a method based on

muscle memory instead of sight. This method allows you to achieve much higher speed of data entry, especially if you need to transcribe text from other visual material.

Typing with the touch typing method significantly improves your computer productivity; it increases data entry speed and, where possible, reduces fatigue and injury to the eyes.

Typing on a keyboard without looking at the keys. Touch typing has become an essential skill these days no matter what line of work anyone does. In the early days, schools ordered special typewriters with blank keys. Today, blank keys can be simulated with a soft plastic skin that is placed over any computer keyboard.

Week: 9

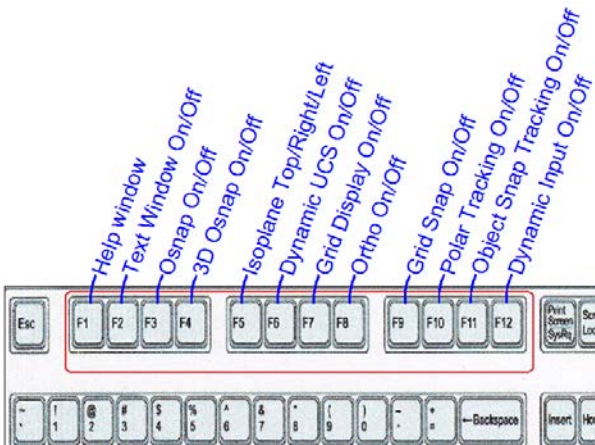
Topic: Basic Services

CONTENT

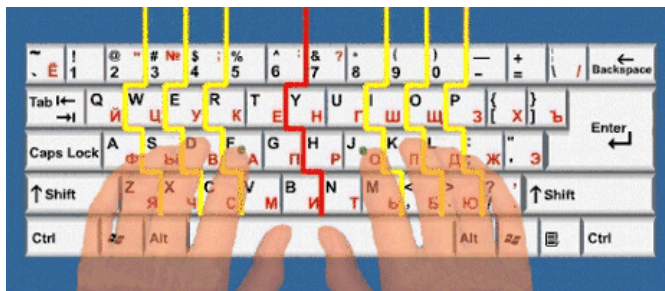
- Concept finger placement on the basic service keys
- Manipulation of the basic service keys using soft touch

Concept Finger Placement on the Basic Service Keys

These are twelve basic service keys in number F₁-F₁₂ and are located horizontally on the first row of computer keyboard.



Manipulation of the basic service keys using soft touch



This is the correct way to place your finger on the keyboard when typing

As seen in the above picture, your hands should lay naturally on the middle row of keys (home row keys) of the keyboard. Your left-hand index finger should be on the letter “F,” and your right-hand index finger should be on the letter “J” and both thumbs should be on the spacebar.

Tip: You can quickly identify where your hands should be positioned without looking at the keyboard by feeling for small bumps that should be on the letter “F” and “J.”

ASSESSMENT TEST

1. Identify all the basic service keys
2. Demonstrate the correct way of placing the finger on the keyboard while using the basic service keys.

Week 10

Topic: Correct Spacing and Punctuation Marks

Content:

- Identification
- Correct Finger Placement
- Correct Use of Punctuation marks key
- Correct spacing After punctuation marks

Identification

P u n c t u a t i o n – check the chart above for the correct finger position.

The comma is next to M and the fullstop to its right. They are below K & L.

To type a capital letter or character (*) do the following ...

Hold the **Right** Shift Key for a **Left** Hand letter or character

Hold the **Left** Shift Key for a **Right** Hand letter or character.

Correct use of Punctuation marks keys

1) Em dashes, En dashes, and Hyphens

Not all dashes are created equal. You've probably noticed the hyphen key, located on both of your number pads. However, there are technically three different dashes, with completely different purposes.

The **hyphen** is the most commonly used version of the dash. You've probably seen a hyphenated word before, but we'll give you an example anyway: the **pink-hatted** elephant walked down to the red-doored store.

En dashes are used to connect numbers, and sometimes words (see below). For example: 10–20, 50–100, 100–900. (Just think “to or though”: From 1 **TO** 10, or everything starting at 10 **AND THROUGH** 19).

Em dashes are used to break off thoughts. If you were paying attention—although it's okay if you weren't.

You don't actually have to worry too much about the difference between em dashes and en dashes. En dashes can actually be used to separate a thought as well – you just have to add a space on either side, like this example.

How to Type it:

*To type an **en dash**, type a space, followed by two hyphens and a space on the other side — like this.*

*To type an **em dash**, do the same thing—but this time, ignore the spaces.*

2) The Pipe Bar

The **pipe bar** isn't really a punctuation mark, but it's still fun to know how to use. Pipe bars look like this: |. Look closely, and you'll see that it's not actually a lowercase "L".

Pipe bars are used in Unix coding. They also work as a division symbol if you're typing out a math formula. In design, they are often used to space out information on business cards, like this:

yourname@example.com | xxx.xxx.xxxx

How to Type it:

Find the backward slash (\) key on your keyboard; it should be right next to your "Enter" key. Just hold down shift while you press it, and voila! Pipe bar!

3) Braces

Braces – also known as **curly brackets** – are familiar to anyone who knows a little CSS. They can be used just like parenthesis and regular brackets, and are particularly useful if you're putting one set of parenthesis inside of another (which is sometimes done [if you happen do like convoluted sentences {which some people do}]).

How to Type it:

To type a brace, hold down shift while pressing either the opening or closing square bracket key.

Yup, it's that simple!

4) Ellipses

You already know how to type and use this one... but we bet you didn't notice it's name. The **ellipses** is that little "...", used to denote a pause or a break in a quotation. In comics, it's also used to show a silence.

Quick grammar rule: if the ellipses is in the **middle** of a sentence, type **three** dots. If it's at the **end** of a sentence, type **four**.

How to Type it:

*To type an **ellipses** on your computer, just key in three periods.*

4) Bullet Points

Here are the reasons you might want to use a **bullet point**:

- You like lists
- You *really* like lists.
- You like little round circles.

Now, normally your word processor software will take care of bullet points for you, and you don't have to worry about it; just hit the "list" button, and type away! But every now and then, it's fun to be able to type it individually. Like the pipe bar, bullets can be used to separate information in your designs.

Use a Bullet Point!

Business cards • Flyers • Really, whatever you feel like.

How to Type it:

To get a bullet (•), type **Alt + 9679** on your PC.

Correct spacing after punctuation marks

There are generally two rules involved in spacing after a punctuation mark. They are:

Rule 1

With a computer, use only one space following periods, commas, semicolons, colons, exclamation points, question marks, and quotation marks. The space needed after these punctuation marks is proportioned automatically.

Rule 2

Use no spaces on either side of a hyphen.

Example:

We borrowed twenty-three sheets of paper.

Dashes

Dashes, like commas, semicolons, colons, ellipses, and parentheses, indicate added emphasis, an interruption, or an abrupt change of thought. Experienced writers know that these marks are not interchangeable. Note how dashes subtly change the tone of the following sentences:

Examples:

You are the friend, the only friend, who offered to help me.

You are the friend—the only friend—who offered to help me.

I pay the bills; she has all the fun.

I pay the bills—she has all the fun.

I wish you would ... oh, never mind.
I wish you would—oh, never mind.

Rule 1. Words and phrases between dashes are not generally part of the subject.

Example: *Joe—and his trusty mutt—was always welcome.*

Rule 2. Dashes replace otherwise mandatory punctuation, such as the commas after Iowa and 2013 in the following examples:

Without dash: *The man from Ames, Iowa, arrived.*

With dash: *The man—he was from Ames, Iowa—arrived.*

Without dash: *The May 1, 2013, edition of the Ames Sentinel arrived in June.*

With dash: *The Ames Sentinel—dated May 1, 2013—arrived in June.*

Rule 3. Some writers and publishers prefer spaces around dashes.

Example: *Joe — and his trusty mutt — was always welcome.*

ASSESSMENT TEST

1. How do you type a capital letter?
2. What are the general two rules involved in spacing after a punctuation mark?

Week 11

Topic: Revision and examination

Teachers are expected to do a revision with their student before Examination commences.