**BUSINESS STUDIES**

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| WEEKS | TOPICS |
| 1 | INTRODUCTION |
| 2 | The Office |
| 3 | Office Equipment |
| 4 | Right Attitude to work |
| 5 | The Office Staff |
| 6 | Occupation |
| 7 | Introduction to Commerce |
| 8 | Division of Commerce |
| 9. | Production 1 |
| 10 | Factors of production |
| 11 | REVISION |
| 12 | EXAMINIATION |

WEEK ONE JSS 3

TOPIC: ADVERTISING

Advertising may be defined as business term or means or bringing the existence of new and old products in the market to the knowledge of the consumers. It is the process by which members of the public are informed about available goods in the market.

Importance/functions of Advertising

1. Advertising provides information about the goods in the market

2. It enlightens the members of the public about the usefulness of the products

3. It creates awareness

4. It helps the producer to promote the sales of the products

5. It directs potential consumers to where they can easily get the product

6. It helps in publicizing brand names

Media Of Advertising

The media of advertising are:

1. Newspaper
2. Television
3. Radio
4. Window display
5. Cinema
6. Billboard
7. Sales Van
8. Posters/leaflets
9. Magazines/journals

1. TELEVISION – this is through audio/visual one in which the people can see the image of the product and be educated on the usefulness of the product.

2. NEWSPAPER – advertising the dailies which usually published daily e.g. The Sun, The Punch, Alaroye, Nigerian Tribune etc

3. RADIO – this is very common in Nigeria. It is an audio means of advertising. Almost everybody can afford to buy a radio.

4. WINDOW DISPLAY – goods are displayed through the window to attract potential buyers

5. CINEMA – some companies/people move from one place to another show the pictures of the real products. It can also be screen before film show or at an internal during film show.

6. BILLBOARD – billboard resembles that of sticker but they are not the same. Billboard is mounted on solid structures at junction, roundabout, stadium, in order to display some important information.

7. SALES VAN – this is a means in which people make use of motor van that is equipped with radio and loud speakers to transmit their messages about the products to the buyers through the sales representatives.

8. POSTERS AND LEAFLETS – these contain description, location, address, quality and other information about the products. Posters are used in an open air places e.g. gates, markets etc, while leaflets are distributed either in the market or from house to house or in a public arena.

9. MAGAZINES/JOURNALS – this is directed to some group of people. It is printed for circulation weekly, forthnightly or monthly. It is more expensive than newspaper because it is usually printed in coloured.

FORMS/TYPES OF ADVERTISING

1. Informative advertising
2. Persuasive advertising
3. Competitive advertising
4. Direct advertising
5. Indirect advertising

1. INFORMATIVE ADVERTISING – informative is carried out for the purpose of informing the members or the public about newly available goods in the market.

2. PERSUASIVE ADVERTISING – this appeal to customers to patronise a particular product e.g. buy multi-active OMO instead of other detergents.

3. COMPETITIVE ADVERTISING – it encourages the customers to buy a product of a particular brand. The similar products maybe available.

4. DIRECT ADVERTISING – it is usually focused on a particular group of people e.g. students, graduates and workers.

5. INDIRECT ADVERTISING – is a type of advert that focuses on everybody.

ADVANTAGES OF ADVERTISING

1. It helps to increase the sales of goods

2. It may lead to mass production

3. It creates awareness in the mind of customers

4. It provides job opportunity for people

5. It helps people to make a choice from the available products

DIADVANTAGES

1. Advertising at times creates confusion in the mind of customers.

2. It may be wasteful if not well handled

3. The cost may be too expensive

4. It may lead to the loss of company’s profit.

ADVERTISING ETHNICS

1. Respect truthfulness

2. Respect the dignity of each human

3. Respect social responsibilities

Exercise: Describe some media for Advertising.

**WEEK TWO**

TOPIC: TRANSPORTATION

Transportation is a means by which raw materials, finished goods and people are moved from one place to another.

IMPORTANCE OF TRASPORTATION IN COMMERCE

1. Transportation helps to widen the market
2. It encourages international trade
3. It prevents wastage of perishable goods
4. It helps to provide job opportunities
5. It facilitates and quickening effective distribution of goods
6. It influences the location of industry

TYPES OF TRANSPORTATION

1. Transport by land
2. Transport by air
3. Transport by water
4. Transport by pipeline

1. TRASPORT BY LAND – this is the movement of people and goods from one place to another either by road or railway. Transportation by land its divided into two:

a. Transport by road – means carrying of goods and people from one place to another on road e.g motor vehicles. Trailer, buses, carts, bicycles etc.

Advantages of Road transport

1. It is flexible because it provides door to door services
2. It can reach all parts of the country
3. It is easy to load and unload

Disadvantages of Road transport

1. Loads carried by road transport is limited
2. There is high incidence of breakdown and delay
3. It creates congestion and traffic on the highway

b. Rail Transport – it’s a means of carrying heavy goods and passengers form one place to another by train. The train tracks connect several northern, eastern and western states.

Advantages of Rail Transport

1. It is more reliable
2. Its accidents are minimal
3. It is good for transporting heavy goods

2. TRANSPORT BY AIR – is a means of carrying goods and passengers from one place to another with the use of plane, jet and helicopters. It is the fastest means and most comfortable.

Advantages of Air Transport

1. It is the fastest
2. It facilitates international trade
3. It is used to carry fragile and perishable goods
4. It can travel long distance

Disadvantages of Air Transport

1. It is very expensive
2. Its safety is questionable i.e. high rate of accident
3. It is not suitable for carrying heavy goods.
4. It is not flexible

3. TRANSPORT BY WATER – is a means of carrying goods and people from one place to another on water with the use of speed boats, canoes and ships.

Advantages of Water Transport

1. It is the cheapest
2. It facilitates internal trade
3. It is good for conveying heavy loads e.g. containers

Disadvantages of Water transport

1. It is very slow and time wasting
2. It moves on schedule
3. It is not flexible, it can only move on water

4. TRANSPORT BY PIPELINE – is a means of transporting liquids and gas. Pipelines are built underground and they are used to transport kerosene, petrol, water etc from one place to another.

Advantages of Pipeline Transport

1. The cost of maintenance is low
2. chances of accident are limited
3. it reduces congestion of vehicles on the road

Disadvantages of Pipeline Transport

1. it requires a lot of money for construction
2. it may lead to illegal bunkering
3. it may result to spillage which causes environmental pollution

Exercise: (i) What are the products carried by pipeline? (ii) List the modes of transportation

**WEEK 3**

**TOPIC: COMMUNICATION**

Communication may be defined as a means of sending and receiving information from one person to another or from one place to another. It connects buyers and seller together and also aid trade in commerce.

Role of communication

1. Communication provides quick means of sending and receiving information

2. It enhances the spreading of information about market

3. It facilitates the settlement of business debt

4. Free flow of information through communication leads to increase in productivity

5. It serves as tools for transacting business in international trade

Types of communication

1. oral communication
2. written communication

1. ORAL COMMUNICATION – is communication by speech. It includes face to face conversations, phone calls, lectures, interview, meeting etc

2. WRITTEN COMMUNICATION – involves writing e.g. letters, telex, memo, report, E-mail etc.

Means of communication

In the olden days, communication was carried out traditionally with the use of talking drum, town criers, metal gong, palm frond, gun blast, smoke, bell etc.

The modern means of communication are:

1. Post office (NIPOST)
2. Telephone
3. World wide web (www)
4. Courier services
5. Satellite
6. Nitel
7. Newspaper
8. Computer services
9. Fax machine
10. Radio

Exercise: (i) What is a registered mail?

(ii) Which postal services can be used to ensure that written communication is received (a) quickly (b) safely

(iii) What is [www.com](http://www.com)

**WEEK 4**

**TOPIC: CONSUMER PROTECTION AND AWARENESS**

CONSUMER PROTECTION

A Consumer – is an individual who makes final use of goods and services

Protection – is covering

Consumer protection – is defined as various ways and methods adopted by the government and private organisation to ensure that consumers are not cheated by producers and middlemen and that consumers enjoy maximum satisfaction from goods paid for.

In other words, consumer protection are ways and methods put in place by government and private organisations to ensure that consumers are not cheated but derive maximum satisfaction in what they buy.

Reasons for consumer protection

1. Substandard goods
2. Misleading advertisement
3. Unreasonable high price
4. Protection against harmful goods
5. To ensure maximum satisfaction
6. To ensure regular supply of goods

Rights of consumers

1. They have the right to choose the goods that serves them better
2. They have right to correct wrong actions
3. They have right to live in a healthy environment
4. They have right to safety
5. They have right to be informed or listened to
6. They have right to good and important things of life

Agencies/organisations of consumer protection

1.

Standard organisation of Nigeria (SON)

2. National Agency for Food and Drug Administration and Control (NAFDAC)

3. Price Control Board

4. Manufacturing Association of Nigeria (MAN)

5. Environmental Protection Agency

6. Rent Tribunal

Exercise: Explain the following:

(i) Rights to seek redness

(ii) Rights to be heard

**WEEK FIVE**

**TOPIC: DOUBLE ENTRY BOOK KEEPING**

Double entry is a system of book keeping in which transactions are recorded in both debit and credit sides of account.

The principle of double entry system says “for every debit entry, there must be a corresponding credit entry”. It is the foundation of book keeping.

Credit the giver (cr) and debit the receiver (dr)

Dr Cr

N N

Treatment of Asset and Liabilities

1. Assets: Assets are the properties of the business e.g. equipment, land, furniture and fittings, machine etc.

2. Liability: is the amount that the business wed the outsider.

3. Capital: is the amount used in starting a business or amount involved into a business.

Worked Example

1. On January 5, 2010, Ade started a business with N5000 cash

Capital Account

Jan. 5 cash 5000

Cash Account

Jan. 2 Capital 5000

2. On Jan.3rd, bought machine N2000 cash

Machine Account

Jan. 3 Cash 2000

Cash Account

Jan. 3 Machine 2000

3. Jan 4th paid A. Ngozi N500 by cash

1. Ngozi Cash Account

Jan 4 Cash 500 Jan 4 A. Ngozi 500

4. Janlo sold books for cash N10,000

Cash Account Sales Account

Jan 10 Sales 10,000 Jan 10 Cash 10,000

Expenses – are those items that have been paid for in the business in order to yield revenue e.g. electricity, wages, insurance, salary etc.

Exercise:

Papaluwe Transport Company has a cash balance of N15,000 at Feb. 2009. From the following truncations, open all the necessary ledger account:

Feb. 1 Paid wages by cash 3000

Feb. 4 Paid electricity by cash 1000

Feb. 5 Received cash from Felele 5,000

Feb. 10 Paid rent by cash 500

**WEEK 6**

**TOPIC: TRIAL BALANCE**

A trail balance is a statement that shows the balances of all ledgers. It is the statement that shows both the debit and credit balances of the ledger. Its extracted before the preparation of final account to test the arithmetical accuracy of the ledger.

Uses of Trial Balance

1. Trial balance is used to test the arithmetical accuracy of ledgers
2. Final account can be prepared using trial balance
3. It is used to correct errors or to reveal errors

Rules for preparing Trial Balance

1. Post all the items to the necessary ledger accounts
2. Balance the ledger to extract their balances
3. Rule your trial balance

Particulars Dr Cr

1. Any account without any balance should not be posted to trial balance because it has been closed
2. If your debit side of the trial balance is not equal to the credit side, you have committed one of the following error:-
3. Error of omission
4. Error of commission
5. Error of principle
6. Error of original entry
7. Compensating error
8. Complete reversal of entry

Second method of preparing Trial Balance:

1. Debit items: all assets must be debited e.g. stock, building, motor van, debtors, cash etc.
2. Expenses – all expenses must be debited e.g. wages, rates, depreciation, insurance etc.
3. Credit item – credit all the liabilities e.g. bank loan, creditors, bills payables, capital, accrual expenses, gross profit, net profit, discount received etc.

1st Method

From the following information of Madam cash Nig. Ltd, open necessary ledger accounts and extract trial balance as at July, 2005.

July 1 started business with 950 cash

July 5 sold goods worth 7000 cash

July 7 purchase a motor van by cash 3200

July 10 pays salaries by cash 400

July 12 paid wages by cash 200

July 14 cash sales 2000

CASH BOOK

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Particulars | F | Cash | Date | Particular | F | Cash |
| July 1  July 5  July 14  Aug. 1 | Capital  Sales  Sales  Bal. b/d |  | 950  7,000  2,000  9,950  6,150 | July 7  July 10  July 12 | Motor van  Salary  Wages  Bal. c/d |  | 3,200  400  200  6,150  9,950 |

LEDGER ACCOUNT

Capital Account

Bal. c/d 950 July 1 Cash 950

950 950

Bal. b/d 950

Sales Account

Bal. c/d 9000 July 5 Cash 7000

July 14 Cash 2000

9000 9000

Bal. b/d 9000

Motor Van Account

July 7 Cash 3200 Bal. c/d 3200

3200 3200

Bal. b/d 3200

Salary Account

July 10 Cash 400 Bal. c/d 400

400 400

Bal. b/d 400

Wages Account

July 12 Cash 200 Bal. c/d 200

200 200

Bal. b/d 200

Madam Cash Trial Balance as at 30 July, 2008

|  |  |  |
| --- | --- | --- |
| **Particular** | **(DR) #** | **(CR) #** |
| Capital  Sales  Motor van  Salary  Wages  Cash | 3,200  400  200  6150  **9,950** | 950  9000  **9,950** |

2nd Method

If the balance of the ledger are given, you should prepare the trial balance quickly.

Examples:

Prepare trial balance from the following: #

Building 2000

Capital 2000

Equipment 5000

Stock of finished goods 1000

Motor van 3000

Creditor 7000

Accrued 2000

Trial Balance

Particular 2000

Capital 2000

Equipment 5000

Stock 1000

Motor Van 3000

Creditor 7000

Accrued 2000

11,000 11,000