

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT
DEPARTMENT OF COMMERCE

**SECOND YEAR-SECOND SEMESTER EXAMINATION IN BACHELOR OF
BUSINESS ADMINISTRATION/ BACHELOR OF COMMERCE-2016 / 2017
(JANUARY 2019) (PROPER/REPEAT)
DED 2013 SMALL BUSINESS MANAGEMENT**

THREE (03) HOURS

To be completed by the candidate

Index Number :

Instructions to Candidates

For Examiner's Use only

1. This paper has **05** questions in **07** pages.
2. **Answer all questions**
3. Write your answers clearly in the spaces provided on the examination paper.
4. This paper should be handed over personally to the supervisor.

Question No

Marks

01

02

03

04

05

Total

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Second Year-Second Semester Examination in Bachelor of Business Administration/

Bachelor of Commerce-2016 / 2017 (January 2019) (Proper/Repeat)

DED 2013 SMALL BUSINESS MANAGEMENT

Answer all questions

Time: 03 H

01. Complete each sentence by choosing the right word or words from this list

Order	Daily Cash Record	Stock taking lists	Cash Flow Plan
Receipt	Customers' Accounts Record	Stock	Man-hours
Quotations	Stock control	Analyse	Planning
Invoice	Stock cards	Cash Flow	Direct material costs
Total costs	Direct labour cost	Indirect costs	Indirect labour costs

- 1) A is a document to prove that you have paid.
- 2) An tells you to pay. Always compare it with your delivery note make sure you received everything you are paying for.
- 3) When customers buy for cash, write down the sale on the straight away. If you wait, you may forget.
- 4) By comparing the balance on your with the quantity you counted and write on you 5) You can find out if stock is missing.

(05 x 02= 10 Marks)

02. Underline the correct answer for each question

- (1) The first things to do in marketing is to
 - (a) put all your skills into making your products the way you like them
 - (b) find out as much as possible about your customers and what they need and want
 - (c) try to make the same products or services other business make.
- (2) In general, your prices must be.
 - (a) low enough to attract customers to buy and high enough to give your business Profit
 - (b) lower than competitors' prices and lower than the year before.
 - (c) low enough to get new customers and high enough to buy new good
- (3) A good product or service
 - (a) will sell easily and does not need any promotion
 - (b) needs to be promoted like all other products or services
 - (c) needs to be promoted only its sales go down.
- (4) Check the goods against the delivery note or the invoices
 - (a) when you count at the end of the week or at end of the month
 - (b) immediately when you get the goods
 - (c) when you make your order

- (5) Stock control is important
- (a) only for retailers
 - (b) only for manufacturers
 - (c) for all business
- (6) It is bad for your business to hold too much stock. One of the main reason is that
- (a) your suppliers will complain
 - (b) customers will go to their business
 - (c) your business money is tied up
- (7) if you suspect that you are losing stock, your stock records will tell you
- (a) who is staling
 - (b) how much stock is missing
 - (c) how to solve the problem
- (8) To make plan you need
- (a) lots of cash
 - (b) credit sales
 - (c) information from your records
- (9) The first step in making a forecast of the indirect costs for your business is to
- (a) calculate the profit you expect to make
 - (b) get information about your business in the past
 - (c) make a cash flow plan for your business
- (10) when you make a forecast of sales for your business, you think about
- (a) reducing your indirect costs
 - (b) the four Ps: product, price, place and promotion
 - (c) increasing wages for your employees
- (11) Costing is the way you
- (a) Work out what price you must set to make a profit
 - (b) find out the costs of your competitors
 - (c) Calculate the total costs of making or selling a product or providing a service.
- (12) In your costing, you include depreciation as a part of your
- (a) indirect costs
 - (b) direct cost
 - (c) direct material cost
- (13) A voucher is
- (a) a simple way of calculating profit
 - (b) a way of always writing the amount in two different columns in your record Book
 - (c) a receipt or nay other proof of transaction with the same number as an entry in the record book
- (14) The best way to find out how well your business is doing is to
- (a) check your cash book
 - (b) make a profit and loss statement
 - (c) analyse your costs

