



Coimisiún na Scrúduithe Stáit  
State Examinations Commission

Leaving Certificate Examination 2023

Business

Section 1 and Answerbook

Ordinary Level

Thursday 15 June Morning 9:30 - 12:00

400 marks

Examination Number

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Day and Month of Birth

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------

For example, 3rd February  
is entered as 0302

Centre Stamp

--

## Instructions

Write your Examination Number and your Day and Month of Birth in the boxes on the front cover.

Write your answers to all parts of the examination into this Answerbook. This Answerbook will be scanned and your work will be presented to an examiner on screen. Anything that you write outside of the answer areas may not be seen by the examiner.

Write your answers in blue or black pen. You may use pencil for sketches, graphs and diagrams only.

There are two sections in this examination. Questions for **Section 2** are supplied separately but your answers must be written in this Answerbook.

**Candidates are required to answer:**

**(A) Ten questions from Section 1 and**

**(B) Four questions from Section 2 as follows:**

**One question from Part 1**

**One question from Part 2**

**and any other Two questions.**

**All questions in Section 2 carry equal marks.**

**Make and Model of calculator used:**

--

Answer 10 questions. Each question carries 10 marks.

1. What do the following letters stand for? Write each answer in the space provided.

VAT	
ECB	
DIRT	

2. Indicate whether each of the following actions is an example of a Controller or Facilitator manager by writing **Controller** or **Facilitator** after each of the following statements.

Action		Controller or Facilitator
(i)	The manager gives orders and expects them to be followed without question.	
(ii)	The manager encourages employee empowerment.	
(iii)	Employees are trusted to carry out their duties without constant supervision.	
(iv)	The manager makes all the decisions and does not consult with employees.	

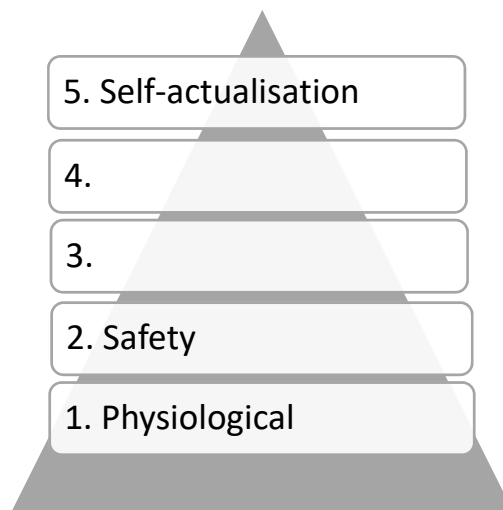
3. Outline **two** reasons for business expansion.

1.
2.

4. Write the word **TRUE** or **FALSE** after each of the following statements.

Statement		True or False
(i)	A sole trader has unlimited liability.	
(ii)	A public limited company can have a maximum of 149 shareholders.	
(iii)	A co-operative is owned and controlled by the government.	
(iv)	A partnership business can have 2 - 20 partners.	

5. Complete levels 3 and 4 of **Maslow's Hierarchy of Needs**.



6. (i) Explain the term **USP**.

Answer:

- (ii) Name a product and its USP.

--

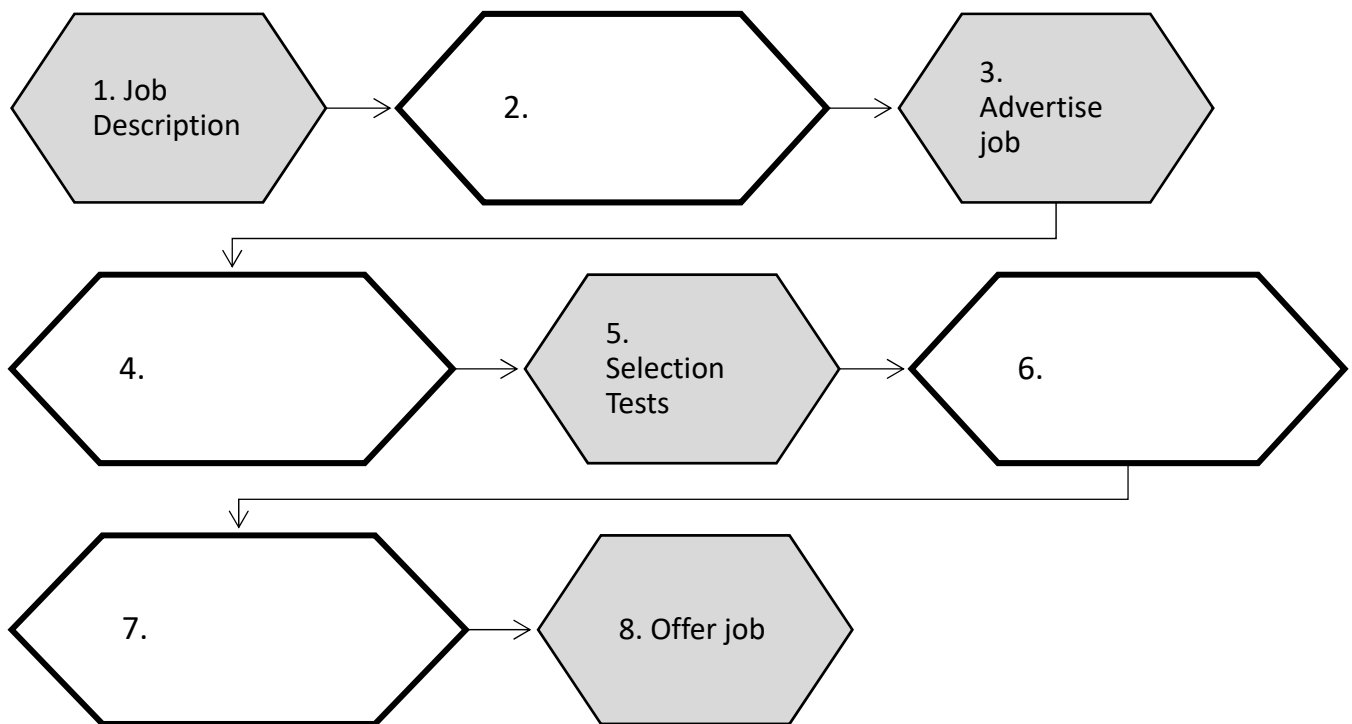
7. Complete the recruitment and selection process of the Human Resource Manager in the **correct order** by filling in the missing tasks:

**Check references**

**Screen applicants**

**Person specification**

**Interview candidates**



8. Circle the **correct option** in **each** of the following statements.


- (i) Employees must give **seven / ten** days' notice of industrial action to their employer.
- (ii) When employees ask for a pay rise because inflation has increased it is known as a **productivity / cost of living** claim.
- (iii) IBEC represents **businesses / employees**.
- (iv) The Irish Farmers' Association (IFA) is an **interest group / trade union**.

9. Match the images with the correct **pricing strategy** from the list below.  
(One pricing strategy is not shown.)

**Premium Pricing**

**Price Discrimination**

**Penetration Pricing**

<table><tr><td></td><td>One way</td><td>Return</td><td>10 trips</td></tr><tr><td>Adult</td><td>15€</td><td>20€</td><td>85€</td></tr><tr><td>Senior</td><td>11€</td><td>15€</td><td>65€</td></tr><tr><td>Child</td><td>5€</td><td>10€</td><td></td></tr></table>		One way	Return	10 trips	Adult	15€	20€	85€	Senior	11€	15€	65€	Child	5€	10€		<div></div> <p><b>iPhone 13</b> 6.1-inch display from €929</p>
	One way	Return	10 trips														
Adult	15€	20€	85€														
Senior	11€	15€	65€														
Child	5€	10€															
(i)	(ii)																

10. Draft the memorandum sent by Tina Duggan, IT Manager, **on today's date** to all employees reminding them that system log-in passwords must be changed by Friday 23<sup>rd</sup> June 2023.

Memorandum	
<b>To:</b>	_____
<b>From:</b>	_____ <b>Date:</b> _____
<b>Re:</b>	_____
	_____
	_____
	_____
<b>Signed:</b>	_____ <b>Title:</b> _____

11. Indicate by placing a tick (✓) in the correct box, the **European Union policy** that each statement describes.

Statement	Common Agricultural Policy (CAP)	Common Fisheries Policy (CFP)	EU Social Charter	Competition Policy
EU citizens have the right to live and work in any EU country.				
Farmers receive Single Farm Payments to help supplement their income.				
All business mergers and takeovers are monitored.				
The aim is to preserve fish stocks in EU waters.				

12. Match the explanation with the correct State Agency from the list below.

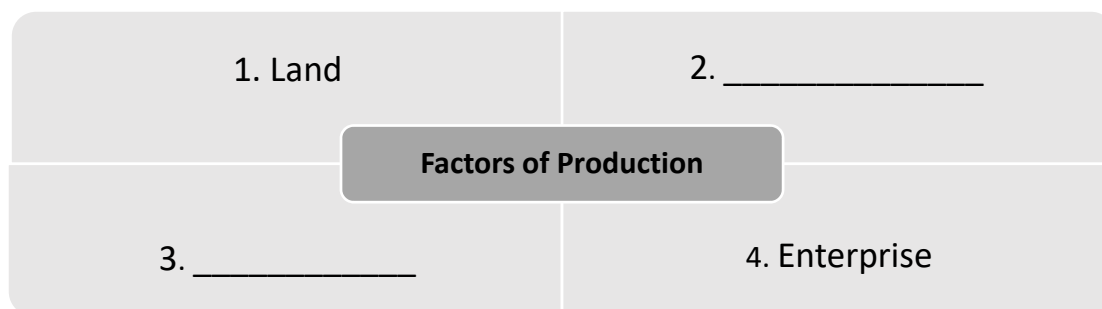
**Local Enterprise Office (LEO)**

**Fáilte Ireland**

**IDA Ireland**

Explanation	State Agency
Promotes Irish tourism industry around the world.	
Attracts multinational companies to set up in Ireland through various incentives.	
Assists entrepreneurs in setting up their business through advice, grant aid etc.	

13. Complete the missing **factors of production**.



14. Below is a copy of the **Cashflow Forecast** for Dwyer's Guesthouse for the first three months of 2023.

	January €	February €	March €
<b>Total Receipts</b>	15,500	26,000	28,000
<b>Total Payments</b>	16,700	23,000	24,000
<b>Net Cash</b>	(1,200)	<b>(i)</b>	4,000
<b>Opening Cash</b>	(1,500)	(2,700)	300
<b>Closing Cash</b>	(2,700)	300	4,300

- (i) Calculate the Net Cash figure for February. Show your workings.

Workings:	
<b>Answer:</b>	

- (ii) Identify a month where the guesthouse has a deficit. \_\_\_\_\_

- (iii) Identify a month where the guesthouse has a surplus. \_\_\_\_\_



15. In the following table, Column 1 is a list of business terms and Column 2 is a list of explanations.

Column 1: Business Terms	Column 2: Explanations
1. Leasing	A Long-term fixed interest loan.
2. Bank Overdraft	B Business profits re-invested in the firm.
3. Trade Credit	C Renting an asset over a one to five-year period.
4. Debenture	D Allows the account holder to withdraw more money than is in the account.
5. Share Capital	E Money provided by investors in return for part ownership/share of profits.
	F Buying stock now and paying at a later date.

Match the two lists by placing the letter of the correct explanation under the number of the relevant business term below. One explanation has no match.

Business Term	1	2	3	4	5
Explanation					

## Answerbook for Section 2

### Instructions

Questions for **Section 2** are supplied separately.

Start each question on a new page. Write the question number in the box at the top of each page.

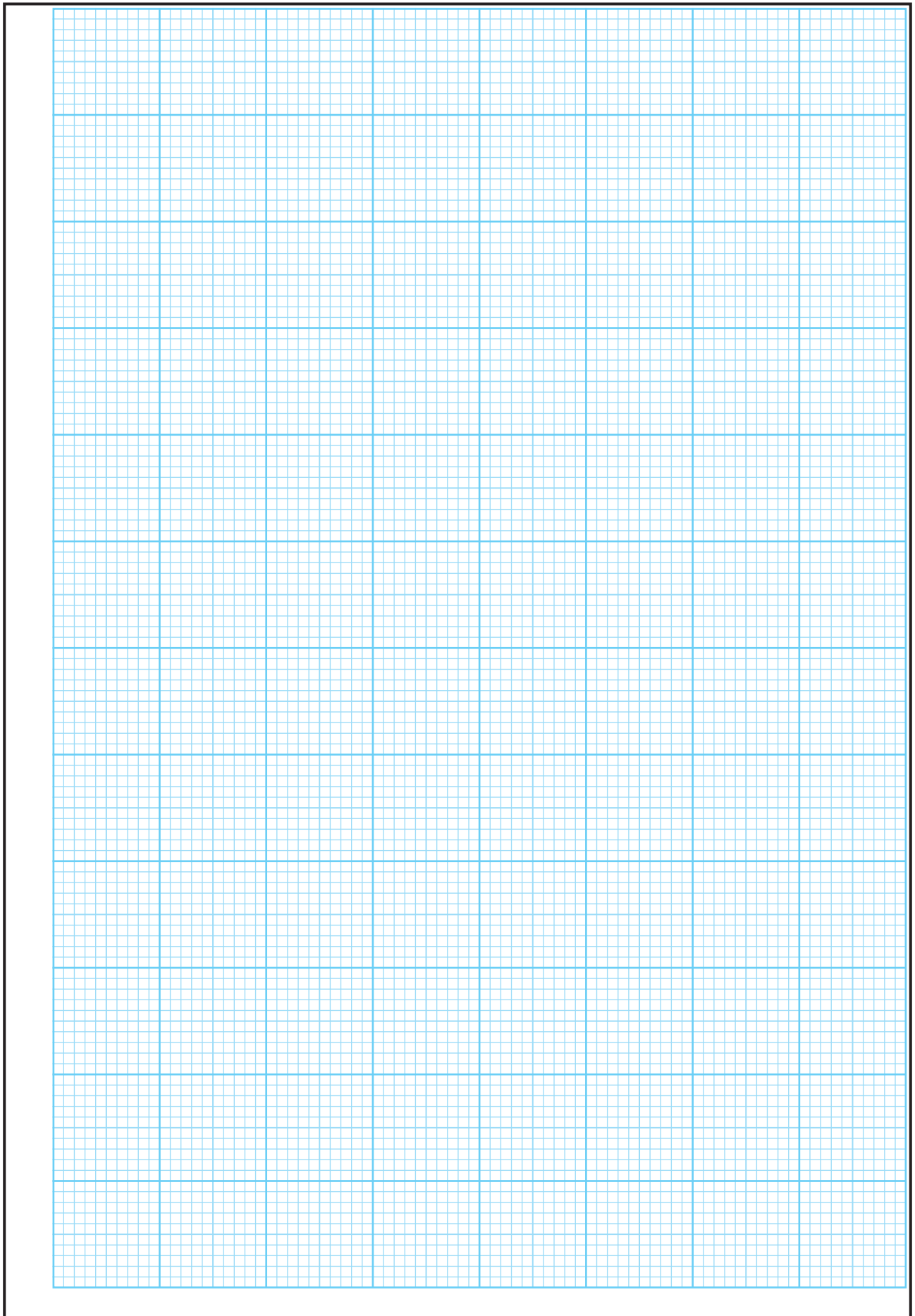
Use the left-hand column to label each part, as shown below.

Question	
04	
Start each question on a new page	
Part	
(a)	
(b)(i)	
(b)(ii)	

One page of graph paper is provided in this answerbook. On pages with graph paper, the box for the question number is at the bottom of the page.

You do not need to use all of the pages in this answerbook. If you run out of space in this answerbook, you may ask the superintendent for more paper or graph paper.

Write your answers in blue or black pen. You may use pencil for sketches, graphs and diagrams only.



Question

--	--

--	--

Part

[illegible]

Part

[illegible]

Part

[illegible]

Part

[illegible]

Part

[illegible]



Part

[illegible]

Part

[illegible]

--	--

Part

[illegible]

Part

[illegible]

Part

[illegible]

Part

[illegible]

--	--

Part

[illegible]

Part

[illegible]



Part

[illegible]

Part

[illegible]

Part

[illegible]

--	--

Part

[illegible]

Part

[illegible]

--	--

Part

[illegible]

Part

[illegible]

Part

[illegible]



Part

[illegible]

Part

[illegible]

Part

[illegible]

Do not write on this page

**Copyright notice**

This examination paper may contain text or images for which the State Examinations Commission is not the copyright owner, and which may have been adapted, for the purpose of assessment, without the authors' prior consent. This examination paper has been prepared in accordance with *Section 53(5) of the Copyright and Related Rights Act, 2000*. Any subsequent use for a purpose other than the intended purpose is not authorised. The Commission does not accept liability for any infringement of third-party rights arising from unauthorised distribution or use of this examination paper.

Leaving Certificate – Ordinary Level

## Business Section 1 and Answerbook

Thursday 15 June

Morning 9:30 - 12:00



Coimisiún na Scrúduithe Stáit  
State Examinations Commission

Leaving Certificate Examination 2023

# Business

Section 2  
Ordinary Level

Thursday 15 June      Morning 9:30 – 12:00

**Candidates are required to answer:**

**Four** questions from **Section 2** as follows:

**One** question from **Part 1**

**One** question from **Part 2**

and any other **two** questions.

**All questions in Section 2 carry equal marks.**

**Do not hand this up.**

This document will not be returned to the State Examinations Commission.

## Section 2

300 marks

Write your answers in the Answerbook containing **Section 1**

Answer four questions from SECTION 2 as follows:

**One** question from **Part 1**,

**One** question from **Part 2**,

and any other **two** questions.

**All questions carry equal marks (75 marks).**

### Part 1

#### Question 1

People in Business

Read the information supplied and answer the questions which follow.

#### Dental implant firm ordered to pay manager €55,000

A UK dental implants company has been ordered to pay €55,000 to a former Irish sales manager who was unfairly dismissed.

*Adapted from rte.ie*

(A) Outline **two** reasons for **fair** dismissal. (15)

(B) Outline **one** function of the Workplace Relations Commission. (10)



(C) List **five** stakeholders in business. (15)

(D) Explain the term **co-operative relationship** and outline one example of a co-operative relationship between two stakeholders. (15)

(E) A legal contract may be terminated by the following methods:

- Frustration
- Breach
- Agreement
- Performance

Explain, using examples, **three** of these methods. (20)

Read the information supplied and answer the questions which follow.



Video-sharing platform TikTok is to create 1,000 new jobs in Ireland as part of its future expansion plans. IDA Ireland has welcomed the news. The new employees will bring TikTok's total headcount here to about 3,000.

*Adapted from The Irish Times*

- (A) Explain the term **multinational company** (MNC). (10)
- (B) Outline **two** incentives the Government uses to attract multinational companies (MNCs) to Ireland. (15)
- (C) Describe **two** benefits of an increase in employment for the Irish economy. (15)

High inflation may persist for years.

*Adapted from The Irish Times*

- (D) (i) Explain the term **inflation**.
- (ii) Outline **two** effects of a high inflation rate on Irish business. (20)

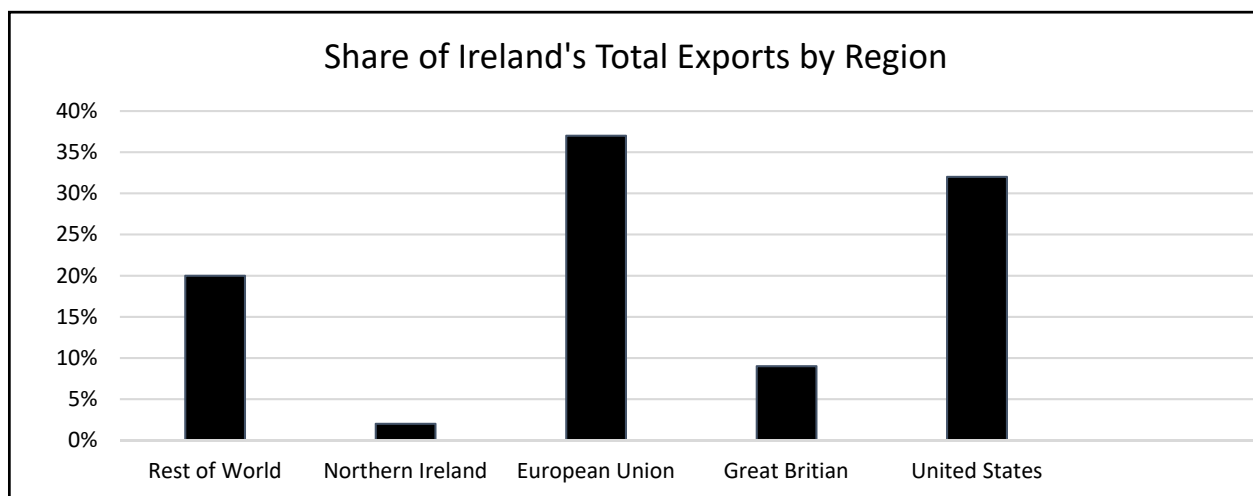
Starbucks is listed as one of the world's most ethical companies.

*Adapted from greencitizen.com*

- (E) Outline **two** benefits for a business of behaving ethically. (15)

**Question 3****International Environment**

Read the information supplied and answer the questions which follow.



- (A) (i) Using the information above, identify the region to which Ireland exports the most.
- (ii) List **three** examples of goods/services that Ireland exports. (15)
- (B) Name **two** barriers to trade **and** explain **one** of them. (15)
- (C) Ireland's Balance of Payments was €15.8 billion from October – December 2022.
- (i) Explain the term **Balance of Payments**.
- (ii) Outline **one** impact of an increase in exports on the Balance of Payments. (15)




In 2023 Ireland marks the 50<sup>th</sup> anniversary since joining the European Union.


- (D) (i) Outline **two** benefits to Ireland of being a member of the European Union.
- (ii) Describe **one** challenge of European Union membership to Ireland. (20)
- (E) Name **two** institutions of the European Union. (10)



Read the information supplied and answer the questions which follow.

	<p style="text-align: center;"><b>Consumer problems</b></p> <p>Jack McCarthy purchased a pair of hiking boots from Outdoor Life in Gateway Shopping Centre. After he tried them on again at home, he found the boots to be slightly uncomfortable and went back to the store to return them.</p> <p>The sales assistant told him he would have to accept a Credit Note if he wanted to return the boots.</p>
---	--

- (A) (i) Does Jack have to accept the Credit Note? Explain your answer.
- (ii) Name the consumer law that applies. (20)
- (B) Name and explain **one** consumer agency that helps Jack to be more aware of his consumer rights. (15)


<p style="text-align: center;"><b>SIPTU threatens industrial action</b></p> <p>SIPTU members at Dublin Airport are threatening industrial action in a dispute over the payment of wages.</p> <p style="text-align: right;"><i>Adapted from rte.ie – Sept 2022</i></p>

- (C) Outline **two** causes of industrial disputes, other than pay, between trade unions and employers. (10)
- (D) (i) Outline **two** benefits of being a member of a trade union.
- (ii) Apart from SIPTU, name **one** other trade union in Ireland. (15)
- (E) Explain the following industrial relations terms:
- Secret Ballot
  - Minimum Notice
  - Picketing
- (15)

## Part 2

### Question 5

### Enterprise / Managing

Read the information supplied and answer the questions which follow.



SweetKing is an online pick 'n' mix store which was founded by Nathan Adams in June 2020. Nathan saw a gap in the market for an online pick 'n' mix store with speedy delivery to your door. Nathan sources his stock from Ireland, Belgium, Spain, and the UK. He has since expanded his business into retail.

*Adapted from the examiner.ie*

- (A) Outline **three** enterprising characteristics/skills that entrepreneurs like Nathan display. (15)
- (B) (i) Explain the term **stock control**.
- (ii) Outline **two** reasons why stock control would be important to a business like SweetKing. (15)
- (C) Leadership styles include Autocratic, Democratic and Laissez-faire.
- Outline **two** features of any **one** leadership style that Nathan could use in his business. (15)
- (D) (i) Explain the term **delegation**.
- (ii) Describe **two** benefits of delegation for a manager. (15)
- (E) Outline **two** benefits of Information and Communication Technology (ICT) for SweetKing. (15)

Read the information supplied and answer the questions which follow.

### Greenlawn Golf Club

#### Notice and Agenda

The **AGM** of Greenlawn Golf Club and Restaurant will take place on 21<sup>st</sup> November 2023 at 8.00pm in the Clubhouse.

#### Agenda

- **Minutes** of the 2022 AGM
- Any matters arising
- Club Chairperson's Report
- Club Treasurer's Report
- Expansion of Clubhouse
- Membership fees
- Election of club officers
- **AOB**

Signed

*Paul Cahill*

Paul Cahill  
Secretary



- (A) Explain the **three** underlined terms above. (15)
- (B) (i) Outline **two** duties of a secretary for a club meeting.
- (ii) Outline **two** duties of a chairperson at a meeting. (20)
- (C) Outline **three** factors a bank will consider before issuing the club a loan to fund their expansion. (15)
- (D) Name and explain **two** types of insurance Greenlawn Golf Club should have. (15)
- (E) **Assessors** and **Actuaries** are both involved in insurance. Explain the role of **one** of them. (10)

Read the information supplied and answer the questions which follow.

Lucy Kavanagh has just started a new job as a payroll administrator with FastParts Ltd.

She earns a gross salary of €40,000 per annum.

Her annual tax credits are €3,400.

She pays PAYE at a standard rate of 20%.

PRSI is 4% of Gross Pay.

USC is 3% of Gross Pay.

(A) Calculate Lucy's net annual salary. Show all workings. (20)

(B) Explain the term **PAYE**. (10)

FastParts Ltd offer several different rewards schemes as part of its package for attracting new employees.

Sales Representatives at FastParts Ltd earn commission and receive benefit-in-kind as part of their package.

(C) Outline **two** methods of recruiting new employees. (15)

(D) Explain, using examples, **commission** and **benefit-in-kind**. (15)

(E) Outline **two** benefits for FastParts Ltd of rewarding their employees. (15)

Read the information supplied and answer the questions which follow.



Irish coffee chain, Insomnia, provides a loyalty programme called Insomnia Treats that allows customers to build and redeem credits on every Insomnia item they purchase.

Customers can keep track of their offers on the Insomnia Treats app. Insomnia advertises extensively using social media.

*Adapted from Insomnia.ie*

- (A) (i) Outline **one** benefit of a loyalty programme as a method of sales promotion.
- (ii) Apart from a loyalty programme, outline **one** other sales promotion technique that a coffee shop could use to increase sales. (15)
- (B) Outline **two** benefits of using social media advertising for Insomnia. (15)
- (C) List **three** factors a business such as Insomnia should consider before setting prices for its products. (15)

Insomnia operates as a franchise. Glenn McCarthy is considering opening a coffee shop in his hometown but is unsure if he should operate independently or under a franchise.

- (D) Outline **two** advantages to Glenn McCarthy of setting up a business through an existing franchise model. (15)
- (E) Explain **two** reasons why preparing a Business Plan is essential for Glenn. (15)

**Question 9****Business in Action**

Read the information supplied and answer the questions which follow.



I-SPY

I-SPY is an online sportswear business based in Ireland which sells a range of yoga and fitness wear. The business was set up by Louise Egan along with her mother Paulette. They joined their passions for fitness, lifestyle and yoga to create the idea for their business.

*Adapted from ispy.com*

- (A) Paulette and Louise turned their interests into a business opportunity.  
List **two** other sources of business ideas for entrepreneurs. (10)
- (B) Name and explain the **two** types of market research a business like I-SPY could have used before launching its products. (15)
- (C) Clothing companies such as I-SPY often make their products using batch production.  
(i) Explain the term **batch production**.  
(ii) List **two** other methods of production and include an example of a product that uses each type of production. (20)
- (D) Explain any **two** of the following stages of the new product development process.  
(i) Feasibility Study  
(ii) Prototype Development  
(iii) Test Marketing (15)
- (E) Outline **two** challenges when starting a new business. (15)

There is no examination material on this page

**Do not hand this up.**

This document will not be returned to the State Examinations Commission.

**Copyright notice**

This examination paper may contain text or images for which the State Examinations Commission is not the copyright owner, and which may have been adapted, for the purpose of assessment, without the authors' prior consent. This examination paper has been prepared in accordance with Section 53(5) of the Copyright and Related Rights Act, 2000. Any subsequent use for a purpose other than the intended purpose is not authorised. The Commission does not accept liability for any infringement of third-party rights arising from unauthorised distribution or use of this examination paper.

Leaving Certificate 2023 – Ordinary Level

## **Business – Section 2**

Thursday 15 June

Morning 9:30 – 12:00