



Coimisiún na Scrúduithe Stáit  
State Examinations Commission

Leaving Certificate Examination 2022

Business

Section 1 and Answerbook

Higher Level

Thursday 16 June Morning 9:30 - 12:30

300 marks

Examination Number

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Day and Month of Birth

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For example, 3rd February  
is entered as 0302

Centre Stamp

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## 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 three sections in this examination. Questions for **Sections 2 and 3** are supplied separately but your answers must be written in this Answerbook.

**Candidates are required to answer:**

- (A) Four questions from Section 1 and**
- (B) The Applied Business Question in Section 2 and**
- (C) Three questions from Section 3 as follows:**
  - One question from Part 1**
  - One question from Part 2**
  - and One other question from either Part 1 or Part 2.**

**All questions in this section carry equal marks.**

**Make and Model of calculator used:**

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**Section 1****Short Answer Questions****40 marks**

This section is compulsory. Answer four questions. Each question carries 10 marks.

1. **Column 1** is a list of business terms.  
**Column 2** is a list of possible explanations for these terms.  
*(One explanation does not refer to any of these terms.)*

Column 1: Terms	Column 2: Explanations
1. Gross Domestic Product	<b>A</b> A decrease in the demand for goods and services in an economy for two consecutive quarters.
2. Economic Recession	<b>B</b> The price of one currency expressed in terms of another currency.
3. Interest Rate	<b>C</b> The sustained percentage increase in the price of goods and services in an economy from one period to the next.
4. Exchange Rate	<b>D</b> The cost of borrowing money from a financial institution.
5. Unemployment Rate	<b>E</b> Measures the value of goods and services produced in a country.
	<b>F</b> The percentage of people out of work but actively seeking employment.

Match the two lists by placing the letter of the correct explanation under the relevant number below.

1	2	3	4	5

2. In the context of business, what do the following letters stand for?  
Write each answer in the space provided.

<b>WTO</b>	
<b>EMU</b>	
<b>IDA</b>	
<b>FDI</b>	
<b>CAP</b>	

3. (a) Explain the term Product Life Cycle.


- (b) Outline two methods firms such as Coca Cola could use to extend a Product Life Cycle.



(i)
(ii)

4. Circle the **correct option** in the case of **each** of the following statements.

- (i) **Maslow / McGregor** believed that once a need is satisfied the need immediately above in the hierarchy becomes the dominant motivator.
- (ii) **Theory X / Theory Y** managers believe workers are hardworking and self-motivated.
- (iii) Workplace friendships satisfy **social / safety** needs.
- (iv) There is a **high / low** staff turnover if managers trust and respect employees.
- (v) **Physiological / Self-actualisation** needs are satisfied by challenging work.

5. Draft an email from Mike Hannon, Sales Manager to all staff at superstore.ie outlining **two** rights customers have under General Data Protection Regulation (GDPR).

<b>Recipients:</b>	
<b>Subject:</b>	

6. The rate of inflation in Ireland is currently soaring as the cost of energy, transport and housing has accelerated on the back of pent-up demand and supply chain bottlenecks.

Adapted from The Irish Times

Explain how the Consumer Price Index works.


7. Write **True** or **False** after **each** of the following statements.

	Statement	True or False
1.	The treasurer is responsible for taking the minutes of a meeting.	
2.	A disadvantage of meetings is that they allow for clarification and feedback.	
3.	An extraordinary general meeting of shareholders must take place annually.	
4.	AOB is usually listed at the top of a meeting agenda.	
5.	A quorum refers to the number of members/shareholders who must be present before a meeting can take place.	

8. (i) Explain the term protectionism.


(ii) Outline two protectionist measures that are used by governments/trading blocs.

(i)
(ii)

9. The following information is supplied by Fleming Ltd.

- Forecasted Output (Sales) 75,000 units
- Fixed Costs €55,000
- Selling price per unit €6
- Variable Costs per unit €2.50

Using the information provided above calculate the following:

		Workings	Answer
(a)	Total Revenue at forecasted output		€
(b)	Total Costs of Production at forecasted output		€
(c)	Profit at forecasted output		€
(d)	Breakeven point (BEP) in units (It is not necessary to draw a breakeven chart)		Units

10. Distinguish between visible imports **and** import substitution. Provide examples to support your answer.


11. Outline two ways to minimise bad debts for a business.

(i)
(ii)

12. Kellie Murphy started a new job. She registered her details on the revenue website my account.

myAccount

Calculate the amount of **PAYE** Kellie Murphy will pay annually. **Show your workings.**

Kellie has a salary of €42,600.

PAYE is to be calculated as 20% on the first €36,800 and 40% on the balance.

Kellie has the following tax credits; personal tax credit €1,700, employee tax credit €1,700.

<b>Show Workings:</b> PAYE	<b>Show Workings:</b> Tax Credits

Name: Kellie Murphy		€	€
Gross Pay			42,600
<b>Deductions</b>			
PAYE			
Tax Credits			
PAYE Due			



## Answerbook for Sections 2 and 3

### Instructions

Questions for **Sections 2** and **3** 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	
0 4	

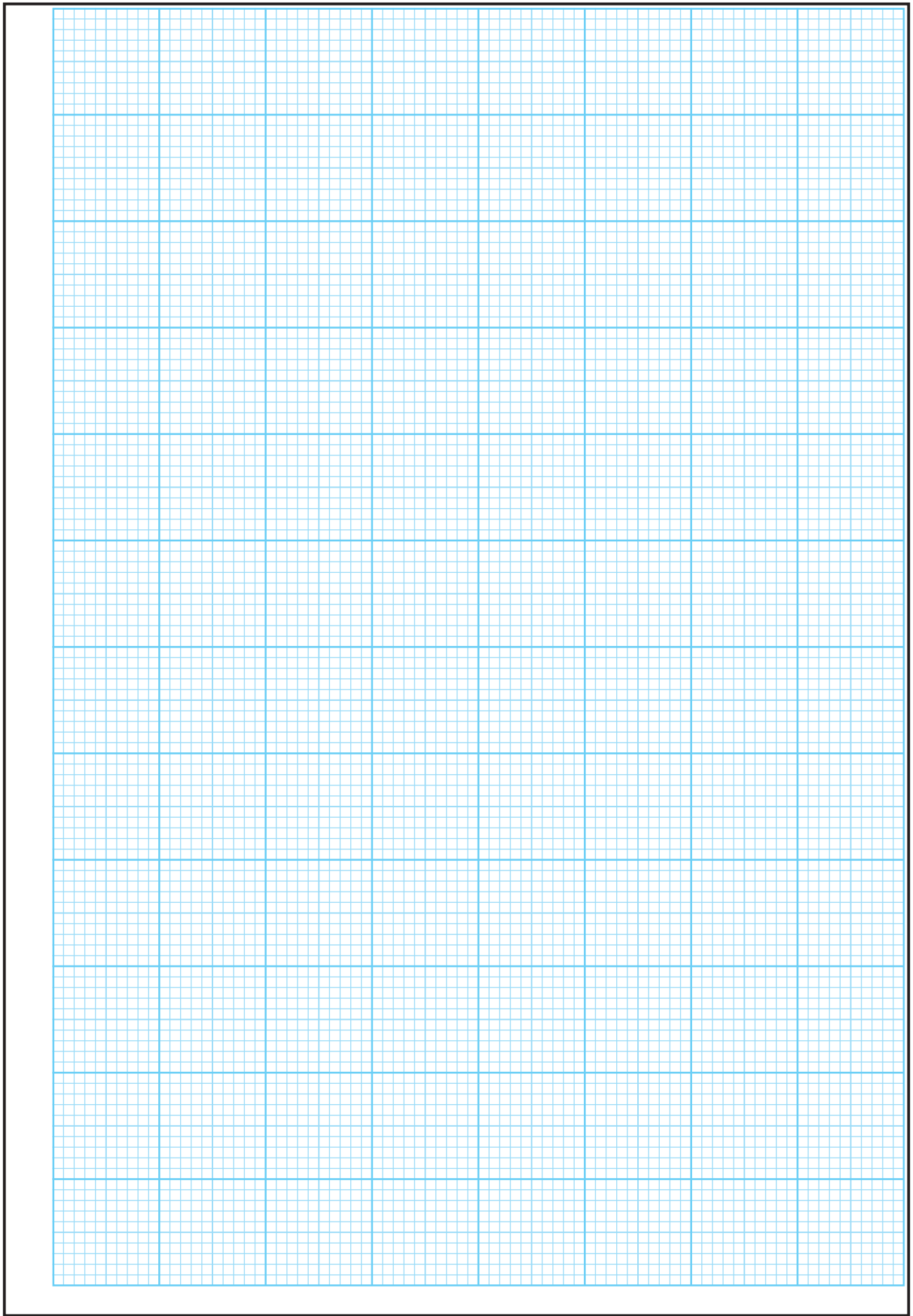
  

Part	
(a)	
(b)(i)	
(b)(ii)	

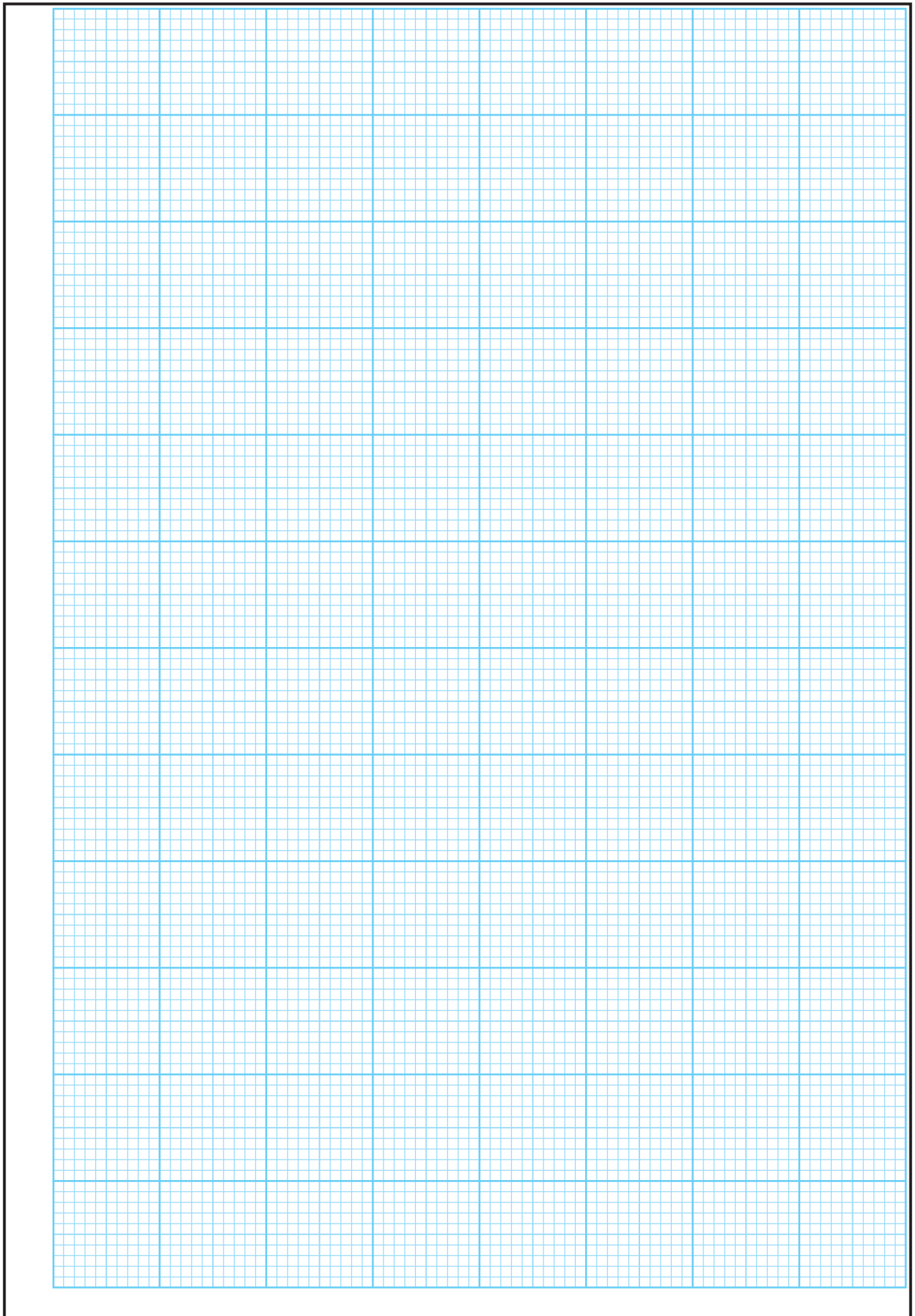
Two pages of graph paper are provided in this Answerbook. On pages with graph paper, the box for the question number is at the bottom of the page.

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



Question

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Part

[illegible]

Part

[illegible]

Part

[illegible]

Part

[illegible]

Part

[illegible]



Part

[illegible]

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Part

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Part

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Part

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Leaving Certificate – Higher Level

## Business Section 1 and Answerbook

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Morning 9:30 - 12:30