



Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination 2022

Business

Section 2
Ordinary Level

Thursday 16 June Morning 9:30 – 12:00

Candidates are required to answer:

Three questions from **Section 2** 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 Section 2 carry equal marks.

Do not hand this up

Section 2

225 marks

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

Answer three questions from SECTION 2 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 carry equal marks.

Part 1

Question 1

People in Business

Read the information supplied and answer the questions which follow.

Sale
***No refunds or
exchange on
sale items***

Jamie purchased a sports jersey during a sale which was reduced from €80 to €50. After taking it home Jamie noticed a rip on the arm of the jersey.

Jamie took it back to the shop but the manager refused to offer Jamie any kind of redress, as it was purchased during a sale and a sign in the shop clearly stated that there were no refunds or exchange on sale items.

- (A) Name the consumer law that protects Jamie in this situation. (10)
- (B) Outline **two** provisions of the law you have named above which are relevant to Jamie's situation. (15)
- (C) Explain **two** benefits to Jamie of taking his case to the Small Claims Procedure/Small Claims Court. (15)



Katie has worked in the accounts department of a large company for 6 years. She recently applied for the position of assistant manager. She was disappointed that the position was given to a male colleague who has only been employed in the company for two years and is less qualified than Katie. Katie feels she has been discriminated against based on her gender. She is considering contacting the Workplace Relations Commission.

- (D) Outline **three** grounds (other than gender) on which discrimination is outlawed under the Employment Equality Act 1998-2015. (15)
- (E) (i) Explain **three** reasons other than discrimination for an industrial relations dispute in the workplace.
- (ii) Outline **one** type of industrial action available to employees involved in an industrial dispute with an employer. (20)

Read the information supplied and answer the questions which follow.



CABINET APPROVES CHANGE TO THE IRISH CORPORATION TAX RATE

- (A) (i) Explain the term **Corporation Tax**.
- (ii) Outline **one** impact an increase in Corporation Tax may have on businesses/companies in Ireland. (15)
- (B) The Government assists business in Ireland in many ways. Outline **two** impacts, other than taxation, the Government has on Irish businesses. (15)



Aldi's corporate responsibility plan is driven by 5 principles: customers, suppliers, environment, employees and community.

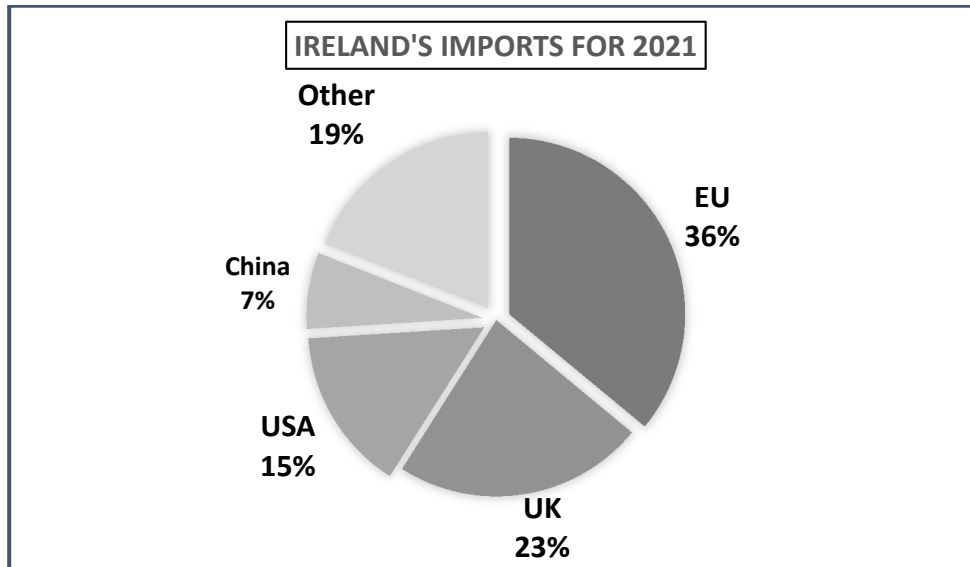
Adapted from aldi.ie

- (C) Outline **two** ways that Aldi can behave ethically towards its employees. (15)
- (D) Describe **two** ways that a supermarket can be environmentally responsible. (15)
- (E) Explain **two** benefits to a local community of a new business such as Aldi setting up in the area. (15)

Question 3

International Environment

Read the information supplied and answer the questions which follow.



www.cso.ie

- (A) Imports can be both visible and invisible.

Explain the term **visible** import and give **one** example of a visible import for Ireland. (10)

- (B) Outline **two** reasons why goods and services are imported into Ireland. (15)

- (C) (i) Using the figures below calculate the Balance of Trade for April 2021.
Show your workings.

International Accounts April 2021		
Visible Exports		Visible Imports
€12,706m		€8,053m

An Phríomh-Oifig Staidrimh
Central Statistics Office

- (ii) State whether it is a surplus or a deficit. (15)

- (D) Describe **two** challenges for Irish businesses involved in international trade. (15)

- (E) Outline **three** benefits for Ireland of remaining part of the European Union. (20)

Read the information supplied and answer the questions which follow.



A fire at the Glenisk yoghurt manufacturing plant in Tullamore, Co. Offaly has had a huge impact on the business' stakeholders. The fire destroyed the entire production facility.



- (A) (i) Explain the term **stakeholder**.
- (ii) Outline the impact of the fire at Glenisk factory on **two** of its stakeholders. (20)
- (B) Outline, using an example, the role of interest groups. (15)

Sinead and Patrick Malone finally found the home they were looking for after a 2 year search. They put in an offer of €320,000 for the house and this was accepted by the seller. Sinead and Patrick are both aged 31 and want to buy the house.

- (C) Explain, with reference to the text above, **three** of the following elements of a valid contract:
- (i) Offer and Acceptance (Agreement)
- (ii) Capacity to Contract
- (iii) Consideration
- (iv) Consent to Contract. (15)
- (D) Describe **two** methods of terminating (ending) a contract. (15)
- (E) Outline **one** function of the Competition and Consumer Protection Commission (CCPC). (10)

Part 2

Question 5

Enterprise / Managing

Read the information supplied and answer the questions which follow.

Pure Clothing, based in Mayo, was founded by Peter Timlin and Richard Grimes in May 2020. The company quickly went viral on TikTok by posting videos which showcased the pair's journey setting up the company and their sustainable model.



Pure Clothing is a completely sustainable brand which uses organic cotton and recycled material for its vegan-friendly clothing, which is embroidered in a wind-powered unit in Co. Mayo.

Adapted from con-telegraph.ie

- (A) Outline **three** enterprising characteristics/skills displayed by entrepreneurs such as Peter and Richard. (15)
- (B) Explain **two** risks and **two** rewards for entrepreneurs like Peter and Richard setting up a new business. (20)
- (C) Discuss **two** reasons why quality control is important for a clothing business. (15)
- (D) Outline **two** benefits for a business of communicating with their customers using social media. (15)
- (E) List **two** advantages to Peter and Richard of preparing a SWOT analysis for their business. (10)

Read the information supplied and answer the questions which follow.

Ryan's Dog Groomers

Ryan Murphy runs a successful dog grooming business. In the last two years, he has noticed an increased demand for his services as pet ownership in Ireland increases. To continue to meet demand Ryan is planning to expand his business. As part of this expansion, he is planning to purchase a van so he can launch a mobile dog grooming service.



- (A) Ryan has the option of three medium term sources of finance for the purchase of his van:

Medium Term Loan

Hire Purchase

Leasing

- (i) Explain **two** of these sources of finance.
- (ii) Outline **one** advantage of each source chosen. (20)

- (B) Outline **three** types of insurance you would expect Ryan's Dog Groomers to have. (15)

- (C) Explain, with reference to Ryan, the principle of **Utmost Good Faith** in relation to insurance. (10)

- (D) The following are the net profit figures for Ryan's business for the period 2017-2021:

Year	2017	2018	2019	2020	2021
Net Profit	€35,000	€45,000	€40,000	€55,000	€60,000

Illustrate the above information on a bar chart.

Use the graph paper provided on page 10 in the answerbook. (15)

- (E) Outline **two** uses of ICT for Ryan's business. (15)

Read the information supplied and answer the questions which follow.

Value Insurance Ltd

Leah Corcoran recently began a new job as an insurance sales agent at Value Insurance Ltd in Limerick city. Value Insurance Ltd is a growing company that sells a variety of insurance policies to individuals, families, and businesses.

To prepare Leah for her role, she received induction training and on-the-job training. She is paid a basic wage of €400 per week plus a commission of 5% on all sales she makes. All employees work on sales teams. The business is currently seeking a new Claims Team Manager and the Human Resource Manager is considering internal recruitment.

- (A) Explain the terms **induction training** and **on-the-job training**. (10)
- (B) Outline **two** benefits to the business of the employees working as part of a team. (15)
- (C) (i) In Week 24 Leah achieved sales to the value of €20,000.
- Using the information supplied above calculate Leah's Gross Pay for Week 24.
Show your workings.
- (ii) List **two** statutory deductions that must be deducted from Leah's pay. (20)
- (D) Outline **two** benefits to the business of internal recruitment. (15)
- (E) Explain **two** reasons why maintaining good Employer/Employee relations is an important role of the Human Resource Manager. (15)

Read the information supplied and answer the questions which follow.

Miriam Lloyd set up her business 'Christening Generations' in 2016 operating as a sole trader. Her business customises wedding dresses into unique handmade christening gowns. Miriam always had a passion for sewing and is an experienced dressmaker.



She received support from her Local Enterprise Office (LEO) in Carlow.

Adapted from localenterprise.ie

- (A) (i) Explain the term **sole trader**.
(ii) Outline **two** benefits of operating as a sole trader. (20)
- (B) Explain **three** sources of new product ideas for a business. (15)
- (C) (i) List **two** headings in a business plan.
(ii) Explain **two** benefits of preparing a business plan. (20)
- (D) Explain the term **USP** with reference to Miriam's business. (10)
- (E) List **two** services that the LEO could have provided to Miriam to assist when setting up her business. (10)

Read the information supplied and answer the questions which follow.

Kellogg's has a variety of products at different stages of the product life cycle

Kellogg's
**CORN
FLAKES**

we Kellogg

KRAVE

Kellogg's
NUTRI-GRAIN

Adapted from Kelloggs.ie

- (A) Draft and label the **Product Life Cycle** diagram showing all five stages. (15)
- (B) Outline **two** benefits to a business of carrying out market research before launching a new product. (15)
- (C) Explain, using an example, the term **target market**. (10)

Kellogg's

Kellogg's uses a variety of promotion methods including public relations to promote their brand to their target market.



- (D) (i) Explain the term **Public Relations (PR)**.
- (ii) Outline **two** methods of Public Relations other than sponsorship, a business could use. (20)
- (E) List **two** advertising media that a business could use **and** outline a reason for your choice in each case. (15)

There is no examination material on this page

Do not hand this up

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