



Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination 2025

Business

Section 1 and Answerbook

Higher Level

Thursday 12 June Morning 9:30 - 12:30

400 marks

Examination Number

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Date of Birth

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For example, 3rd February
2005 is entered as 03 02 05

Centre Stamp

Instructions

Write your Examination Number and your Date 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) **Eight** questions from **Section 1** and
- (B) **The Applied Business Question in Section 2** and
- (C) **Four** questions from **Section 3** as follows:
 - One** question from **Part 1**
 - One** question from **Part 2**
 - and **any** other **Two** questions.

All questions in Section 3 carry equal marks.

Make and Model of calculator used:

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This section is compulsory. Answer eight 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 the terms.)

	Column 1: Terms		Column 2: Explanations
1	European Central Bank	A	Directly elected by citizens of all member states of the European Union.
2	European Court of Auditors	B	Decides on disputes between member states, EU institutions, businesses and individuals.
3	European Parliament	C	Key decision-making body in the EU, meetings attended by relevant ministers of each state.
4	Council of the European Union	D	Manages the euro currency and the EU's monetary policy.
5	European Commission	E	Audits the spending of the EU budget and reports on EU finances.
		F	Responsible for the day to day management of the EU and proposes new EU Laws.

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

1	2	3	4	5

2. (a) Explain the term Global Business.

(b) Name **two** examples of Global Businesses.

1.
2.

3. In the context of business, what do the following letters stand for?
Write your answers in the spaces provided.

DAC	
MNC	
IBEC	
ICTU	
CAP	

4. Circle the **correct option** in the case of **each** of the following statements.
- (i) The term economic growth **does/does not** refer to the growth of one business over a period of time.
 - (ii) The rate of **employment/unemployment** is the percentage of the labour force that do not currently have work.
 - (iii) An increase in interest rates will result in **higher/lower** loan repayments.
 - (iv) Taxation is a **compulsory/voluntary** payment made by households and businesses to the government.
 - (v) When the euro (€) increases in value against British pound sterling (£), imported goods from the United Kingdom (UK) become **more/less** expensive in Ireland.
5. Distinguish between Capital Gains Tax and Capital Acquisitions Tax.

6. Outline **two** methods a business may use to encourage ethical business practice.

(i)
(ii)

Gearing is an indicator of the financial risk associated with a company.

Adapted from Investopedia.com

7. (a) Explain the term Gearing.

The following are the figures relating to Korn Ltd for 2024.

	2024
Authorised Share Capital	€900,000
Issued Share Capital	€550,000
Long Term Loan	€300,000
Reserves/Retained Earnings	€50,000

- (b) Calculate the Debt/Equity Ratio. Show your workings.

<p>Workings</p>
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Answer _____

8. Outline **two** benefits for a business of developing a matrix organisation structure (team structure) to complete specific projects in a business.

(i)
(ii)

9. (i) Explain, using an example, the term import substitution.

- (ii) Outline the impact an increase in import substitution would have on the Balance of Payments.

10. Describe **two** factors a business will consider when choosing an appropriate advertising medium.

(i)
(ii)

11. (a) Explain the term inflation.

(b) List two causes of inflation.

1.
2.

12. Outline **two** functions of a Local Enterprise Office (LEO) in supporting small businesses in Ireland.

(i)
(ii)

Answerbook for Section 2 & 3

Instructions

Questions for **Section 2 & 3** are supplied separately.

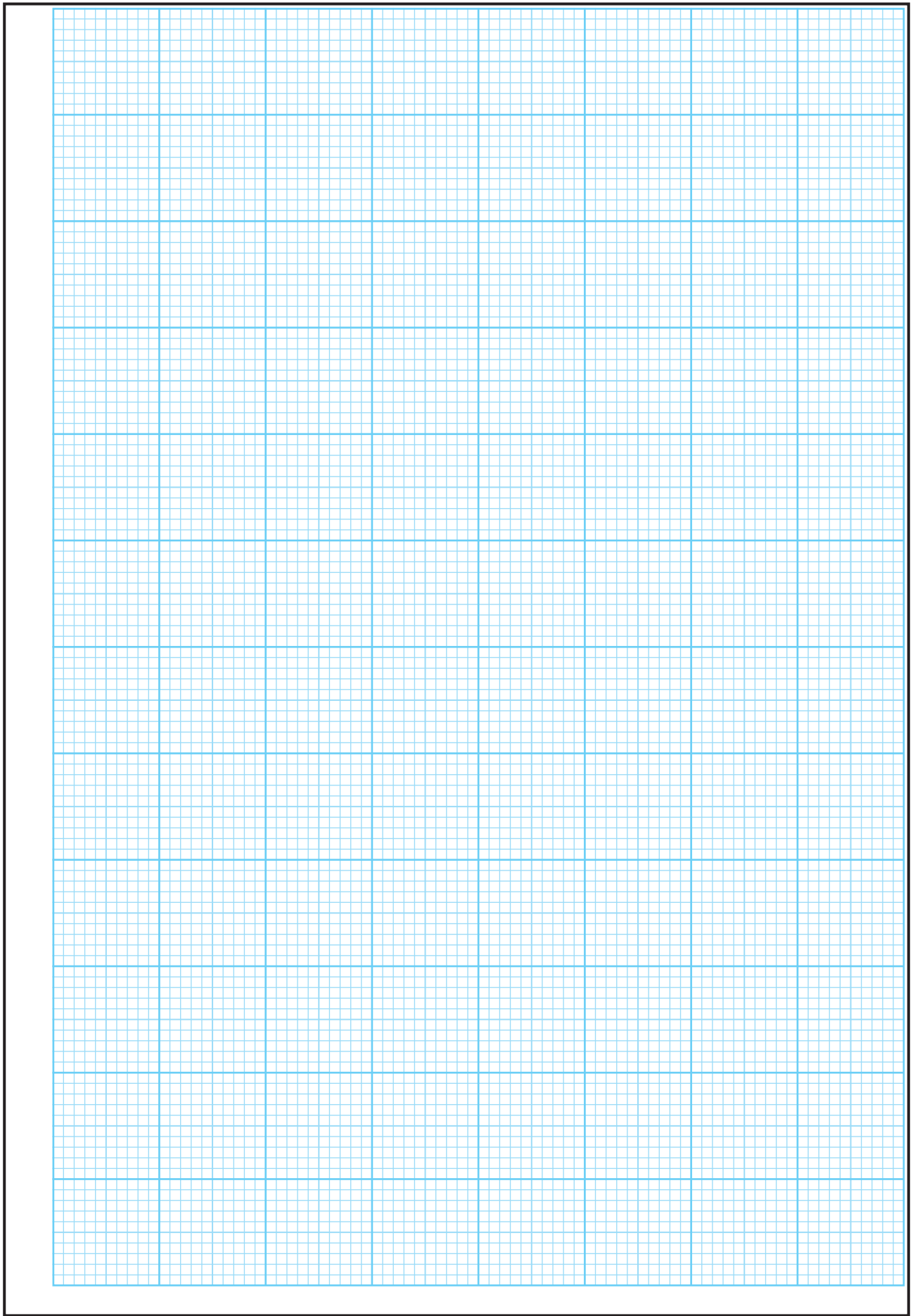
Start each question on a new page. Write the question number in the box at the top of each page. Use the left-hand column to label each part, as shown below.

Question	
<div>04</div>	
Start each question on a new page	
Part	
(a)	
(b)(i)	
(b)(ii)	

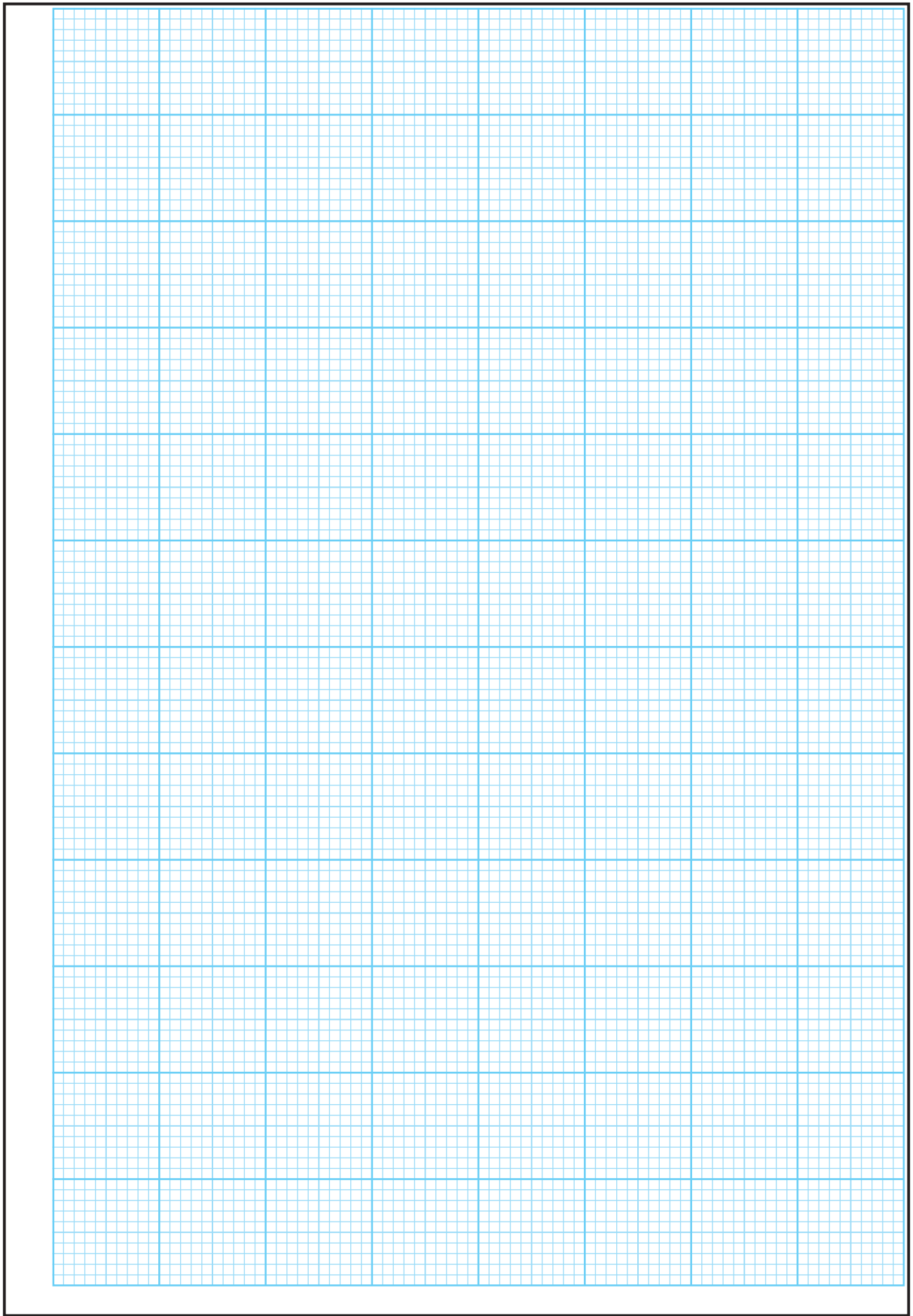
Two pages of graph paper are provided in this answerbook. On pages with graph paper, the box for the question number is at the bottom of the page.

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

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Part

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Part

[illegible]

Part

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Part

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