2024.M57

2024L033A1EL

Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination 2024

Business

Section 1 and Answerbook

Higher Level

Thursday 13 June   Morning 9:30 - 12:30

400 marks

Examination Number

Date of Birth

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

Centre Stamp

The 2024 examination papers were adjusted to compensate for disruptions to learning due to COVID-19. This examination paper does not necessarily reflect the same structure and format as the examination papers of past or subsequent years.

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 from **Part 1** or **Part 2**.

All questions in section 3 carry equal marks.

Make and Model of calculator used:

Section 1	Short Answer Questions	80 marks

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 these terms.)

Column 1: Terms	Column 2: Explanations
1. Partnership	**A** Two businesses join together to form a new legal entity.
2. Co-operative	**B** A business with a minimum of 2 and a maximum of 20 owners.
3. Franchise	**C** A business owned, financed and controlled by the government.
4. Merger	**D** A business set up, owned and controlled by its members for their mutual benefit.
5. Takeover	**E** A business taking control of another business by purchasing the majority of its voting shares.
	F The right to use a business model in exchange for a fee and a percentage of profits.

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.

IDA	
CEO	
ECB	
CRO	
WTO	

3. **(i)** Explain the term Community Development.

(ii) Outline **one** service offered by a community development organisation of your choice.

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

(i) The difference between the target output in units and the breakeven point in units is referred to as the ***total revenue/margin of safety***.

(ii) A breakeven chart ***does/does not*** consider economies of scale.

(iii) In a breakeven chart the ***fixed costs/total costs*** remain the same irrespective of an increase in the output of units.

(iv) The total revenue in a breakeven chart is calculated by multiplying the forecast output in units by the ***variable cost per unit/ selling price per unit***.

(v) A product makes a **profit/loss** before it reaches the breakeven point on a breakeven chart.

5. Outline **two** functions of the European Parliament.

(i)
(ii)

6. Distinguish between an **Embargo** and a **Quota**.

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

	Statement	True or False
1.	Johnson&Johnson — An example of a tactical plan is pharmaceutical firm Johnson and Johnson switching to source 100% of their electricity needs from renewable sources within the next 18 months.	
2.	Netflix offering 52 weeks of paid parental leave to staff is an example of a business meeting their social responsibilities to their suppliers.	
3.	 State broadcaster RTE announcing targets to be achieved over the next five years is an example of a contingency plan.	
4.	By 2025, DHL aims to have more than 500 gas powered vehicles in its fleet. This is an example of a mission statement.	
5.	Nintendo planning for a new product launch in the next four weeks is an example of an operational plan.	

8. Distinguish between **two** types of management control commonly used in a business.

9. Oliver Kiely owned a house worth **€300,000**. He insured this house for **€250,000**. A burst pipe in his attic caused damage of **€60,000** to the house.

(i) Calculate the amount of compensation the insurance company will pay Oliver. Show your workings.

Workings	**Answer**

(ii) Explain the role of the assessor in insurance.

10. List **three** public relations methods commonly used by businesses. Provide an example for each method.

	Public Relations Method	**Examples**
1.		
2.		
3.		

11. Illustrate your understanding of a Joint Labour Committee.

12. **(i)** Explain the term teamwork.

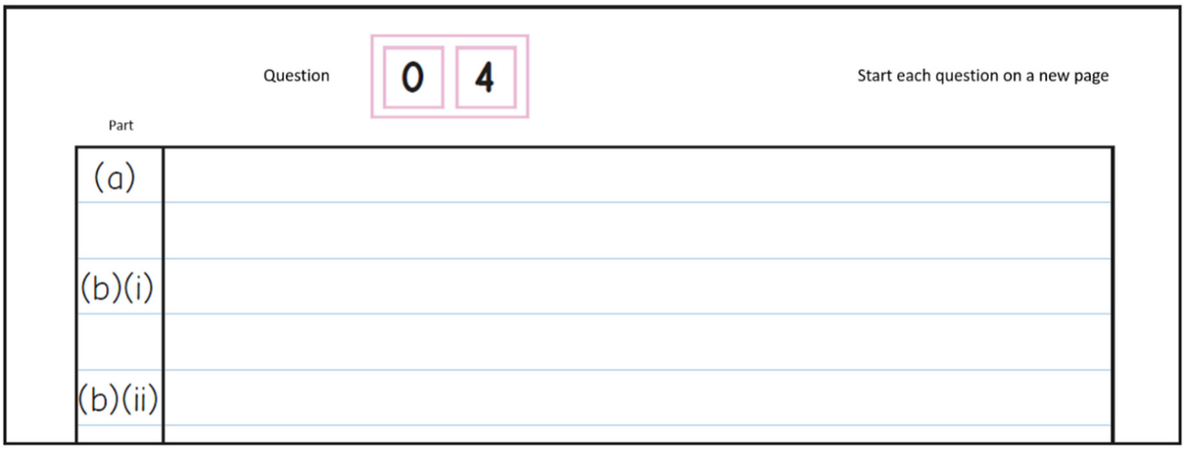
(ii) Name the **four** stages of team development.

1.
2.
3.
4.

Answerbook for Section 2 and 3

Instructions

Questions for **Section 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.



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.

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Leaving Certificate – Higher Level

Business Section 1 and Answerbook

Thursday 13 June

Morning 9:30 - 12:30

Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination 2024

Business – Higher Level

Sections 2 and 3

Thursday 13 June Morning 9:30 - 12:30

Candidates are required to answer:

The Applied Business Question in Section 2 AND

Four questions from **Section 3** as follows:

- **One** question from **Part 1**
- **One** question from **Part 2**
- And any other **Two** questions from either **Part 1** or **Part 2**.

All questions in Section 3 carry equal marks.

Do not hand this up.

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

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Section 2	Applied Business Question	80 marks

This is a compulsory 80 mark question based on Units 1, 2 & 3.

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

New Age Care Ireland Ltd

New Age Care Ireland Ltd is a nursing home business that was established by James Bradley in 2002. James was working in industry and caring for his elderly parents when he saw an opportunity to open a nursing home in the southeast of Ireland. He was initially refused a business loan from the bank to set up his business. James developed an improved business plan and secured finance through a venture capitalist company. James gave up his job in industry to manage the operations of the business. James wanted the business to offer a high-quality service and to achieve this he realised he would need to recruit exceptional staff. James decided to attract employees by offering a higher salary than his competitors. New Age Care Ireland was one of the first nursing homes in Ireland to use social media as a promotional tool.

James faced several challenges, but despite difficult times, he successfully overcame these setbacks and opened a second nursing home in 2023. Investors believe in the vision to deliver a first-class service at New Age Care Ireland and plans are in place for a third nursing home. James had a bid accepted for land outside Carlow. He received the legal documents from the sellers' solicitor. James met his solicitors to sign the contract. The agreed fee was transferred and ownership deeds were received.

James's skillset has evolved over the last two decades. He has changed his management style. James now delegates authority to middle management at the nursing homes. James now holds regular meetings with his middle management team. James introduced staff appraisal meetings that happen annually. Targets are identified at these meetings for employees and staff are encouraged to voice any concerns they have. James presents a clear career progression path to staff as he recognises that not all employees are solely motivated by money. James introduced an assistance scheme for employees who wish to pursue further third level education. James believes that if he looks after his staff, they will provide the highest level of care and service to the residents at New Age Care Ireland.

(A) Outline the entrepreneurial skills/characteristics displayed by the owner of New Age Care Ireland Ltd. Refer to the text in your answer. (20)

(B) **(i)** Define the term contract**.**

(ii) Discuss the essential elements of a valid contract that exist for New Age Care Ireland Ltd's purchase of land. Refer to the text in your answer. (30)

(C) Evaluate how James's management skills have contributed to the success of New Age Care Ireland Ltd. Refer to the text in your answer. (30)

Section 3 — 240 marks

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

Answer **Four** questions from **Section 3** as follows:

One question from **Part 1**

One question from **Part 2**

and any other **Two** questions from either **Part 1** or **Part 2**.

All questions carry 60 marks.

Part 1
People in Business/Business Environment

Question 1 — **People in Business**

(A) Read the information supplied and answer the questions which follow.

Construction developer seeks €3.4m from contractor for breach of contract.
Construction developer claims a contractor left 65-unit social housing scheme in Dublin incomplete and overclaimed payments.

Adapted from Sunday Business Post

(i) Explain the term breach of contract.

(ii) Illustrate the remedies available for a breach of contract. (20)

(B) **(i)** Describe **three** features of the Small Claims Procedure for resolving conflict.

(ii) Recommend **one** way you think the Small Claims Procedure could be improved. Provide a reason to support your answer. (20)

(C) **(i)** List **three** grounds, under which a dismissal can be deemed **unfair** according to the Unfair Dismissals Act 1977/2015.

(ii) Outline **three** procedures an employer should follow when dismissing an employee, under the Unfair Dismissals Act 1977/2015. (20)

Question 2	**Domestic Environment**

Read the information supplied and answer the questions which follow.

The Irish economy is officially in technical recession as GDP shrinks more than expected in third quarter.

Adapted from Irish times December 2023

(A) **(i)** Distinguish between economic growth and interest rates.

(ii) Outline the impacts of an increase in interest rates on Irish businesses. (20)

(B) **(i)** Illustrate your understanding of the term the primary sector.

(ii) Discuss the current trends in the primary sector of the economy. (20)

(C) Read the information supplied and answer the questions which follow.

Some businesses manipulate their financial records to boost investment.

Adapted from investopedia.com

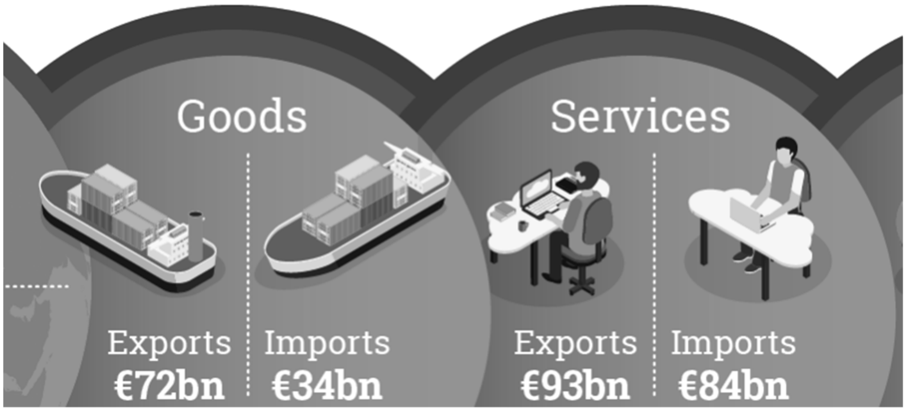
(i) Explain the term business ethics.

(ii) Outline how a business may encourage their employees to be ethical. (20)

Question 3	International Environment

(A) Read the information supplied and answer the questions which follow.

Ireland 2023 Q3



Adapted from cso.ie

(i) Explain the term Balance of Payments.

(ii) Calculate the Balance of Trade and the Balance of Payments using the data above. State whether your answer is a surplus or a deficit. Show your workings. (20)

(B) Apart from taxation, discuss the reasons why multinational companies locate in Ireland. (20)

(C) **(i)** Distinguish between the terms the standardised marketing mix and the adapted marketing mix.

(ii) Explain the importance for Ireland of any **one** of the following policies of the European Union.

- Common Agricultural Policy
- EU Social Policy
- EU Competition Policy

(20)

Question 4	People in Business

Read the information supplied and answer the questions which follow.

Firefighters to escalate industrial action.

Adapted from RTE News August 2023

(A) **(i)** Define the term trade dispute as set out under the Industrial Relations Act 1990.

(ii) Describe **three** types of official industrial action. (20)

(B) **(i)** Illustrate the difference between lobbying and negotiation.

(ii) Outline **two** benefits of trade unions to an employee. (20)

(C) Evaluate the role of the Competition and Consumer Protection Commission (CCPC). (20)

Part 2
Enterprise

Question 5 **Enterprise/Managing**

Read the information supplied and answer the questions which follow.

IKEA

Ingvar Kamprad founded IKEA in 1943 at the age of 17, selling goods like pens and wallets. IKEA is now a market leader in affordable furniture.

(A) Explain reasons why an individual may become an entrepreneur. (15)

Read the information supplied and answer the questions which follow.

IKEA has over 450 stores and operates in five continents. When expanding a business, management will often develop an organisational structure to clarify the span of control and chain of command.

(B) **(i)** Distinguish between the terms span of control and chain of command.

(ii) Discuss the benefits of a matrix organisation structure for a business such as IKEA.

(25)

(C) Outline, using an example, the impact of technology for management in a business such as IKEA in relation to;

(i) Design of products
(ii) Manufacturing
(iii) Marketing
(iv) Human Resource Management. (20)

Question 6	Managing

Read the information supplied and answer the questions which follow.

(A) The cash flow forecast for Jackson Ltd for Q4 in 2024 is set out below.

2024	**Oct €**	**Nov €**	**Dec €**	**Total €**
Receipts	151,000	125,000	114,000	390,000
Payments	130,000	**B**	125,000	423,000
Net Cash	21,000	(43,000)	**C**	(33,000)
Opening Cash	**A**	26,000	(17,000)	5,000
Closing Cash	26,000	(17,000)	(28,000)	(28,000)

(i) Explain the reasons Jackson Ltd would prepare a cashflow forecast.

(ii) Calculate the figures represented by the letters **A, B** and **C** on the cashflow forecast. (Show answers in the answer book.)

(iii) Outline **two** ways Jackson Ltd might deal with a problem identified in the above cashflow forecast.

(25)

(B) Discuss the differences in managing a household and managing a business in relation to taxation. (15)

Insurance premiums in Ireland continue to rise.

(C) **(i)** Explain, using examples, the following **three** principles of insurance;

Utmost Good Faith   Indemnity   Insurable Interest

(ii) Identify **one** type of insurance policy and explain why the insurance company might deem the risk uninsurable. (20)

Question 7	**Managing/Business in Action**

Read the information supplied and answer the questions which follow.

4TH ARQ

4TH ARQ is an Irish clothing brand that produce unisex everyday streetwear. 4TH ARQ offer a range of clothing including tops, bottoms, jackets and fleeces. Their popular half-zip fleeces are available in a range of colours.

(A) **(i)** Explain the term batch production.

(ii) Discuss the implications for 4th ARQ of changing from batch production to mass production process. (20)

(B) Contrast a Sole Trader and a Private Limited Company as forms of business ownership, using the following headings:

Formation Liability Finance Control (20)

(C) Read the information supplied and answer the questions which follow.

The Companies Act 2014 requires directors of all companies to present a profit and loss account and a balance sheet annually.

(i) Explain any **three** of the following financial business terms.

- Liquidity
- Profit and Loss Account
- Debtors
- Dividends

(ii) Outline **one** financial ratio used to measure the profitability of a business. (20)

Question 8	**Business in Action**

(A) Read the information supplied and answer the questions which follow.

ROLEX

ADARE MANOR

Rolex watches, Adare Manor Hotel and Golf Resort and Prime Hydration Drinks are examples of businesses who use premium pricing.

(i) Explain the term premium pricing.

(ii) Outline the factors businesses may consider before deciding on a price for their product or service. Provide examples to support your answer. (20)

(B) Read the information supplied and answer the questions which follow.

The ASAI published fresh guidance for Irish influencers on the clear labelling of ads on social media. For the avoidance of confusion, all commercial content should now be labelled #Ad (or #Fógra for Irish-language posts).

October 2023

(i) What do the letters ASAI stand for?

(ii) Distinguish between generic advertising and persuasive advertising.

(iii) Outline an advertising medium you would recommend for **two** of the businesses listed below. Provide a reason to support each recommendation.

- Rolex watches
- Adare Manor Hotel and Golf Resort
- Prime Hydration drinks (25)

(C) Describe different sales promotions techniques that a business could use to promote a new or existing product. Use examples to support your answer. (15)

There is no examination material on this page

Do not hand this up

Leaving Certificate 2024 – Higher Level

Business – Sections 2 and 3

Thursday 13 June
Morning 9:30 – 12:30