2023.S43

2023J042C1EL

Coimisiún na Scrúduithe Stáit
State Examinations Commission

Junior Cycle Final Examination 2023

Business Studies

Common Level

Monday 12 June Afternoon 1:30 - 3:30

270 marks

Examination Number

Day and Month of Birth

For example, 3rd February is entered as 0302

Centre Stamp

Instructions

There are **two** sections in this examination paper.

Section A	90 marks	15 Questions
Section B	180 marks	3 Questions

Answer all questions.

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

Write your answers in the spaces provided in this booklet.

This examination booklet 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.

Additional space is provided at the end of the examination booklet. Label any extra work clearly with the question and part.

Calculators may be used.

Write the make and model of your calculator here:

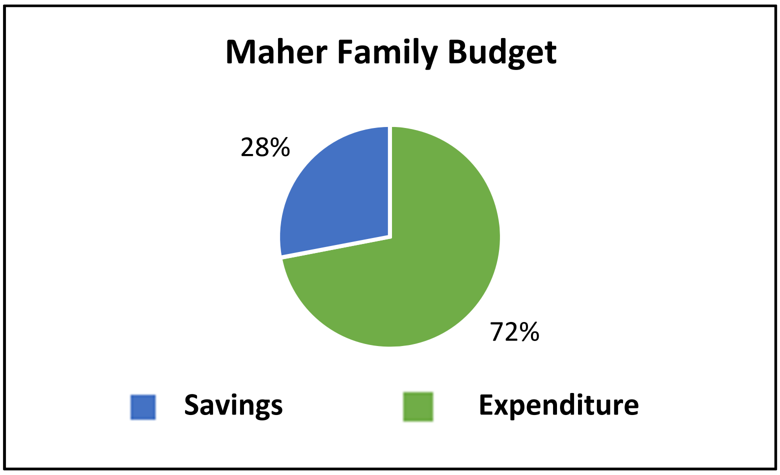
Section A	90 marks

Answer all questions.

All questions carry equal marks.

Question 1

The pie chart below shows the expenditure and savings for the Maher family for the month of September.



(i) If total income for the month of September is €5,400 calculate how much money the Maher family save. Write your answer in the space provided.

Answer	Workings
€	

(ii) List **three** typical sources of household income.

1.
2.
3.

Question 2

Use a tick (✓) to identify whether each of the following is an example of Primary (Field) or Secondary (Desk) Research. (One has been completed for you.)

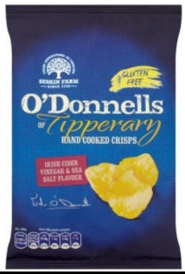
	Primary (Field)	Secondary (Desk)
Sending out a questionnaire	✓	
Conducting a door-to-door survey		
Reading reports and statistics online		
Focus Group		

Question 3

Complete the following extract from a Credit Note issued by Monty Petcare Ltd.

QUANTITY	DESCRIPTION	CODE	PRICE EACH €	TOTAL €
20	Dog Kennels	DK100	100	2,000
	Reason: Damaged in transit			
		Total (excluding VAT)		2,000
	Carriage Paid	Trade discount @ 10%		
	E & OE	Subtotal		
		VAT @ 23%		
		Total (including VAT)		

Question 4



Ed O'Donnell is an entrepreneur from Tipperary.
Since 2007 he makes crisps from potatoes grown on his farm.

Explain the term entrepreneur.

Question 5

Outline **two** rights of consumers when shopping online.

1.
2.

Question 6

Fyffes Fairtrade
€1.99 per kg

Fyffes Non Fairtrade
€1.39 per kg

Outline **two** reasons a consumer would purchase Fairtrade products, considering Fairtrade products are more expensive.

Adapted from the cai.ie

1.
2.

Question 7

Balance the following bank account and bring down the balance at the end of the month.

Dr		**Bank Account**			Cr
Date	Details	Total	Date	Details	Total
2023		€	2023		€
May 1	Balance b/d	450	May 9	Wages	465
16	Cash sales	640	23	Cash purchases	345

Question 8

The Galway Arts Festival is an example of a cultural enterprise and is held in July. The festival programme includes Irish and international work of the highest quality, featuring theatre, music, comedy, visual arts, opera, street spectacle, dance, discussion and comedy.

Galway International Arts Festival

Outline **two** reasons why cultural enterprise is important in society.

1.
2.

Question 9

(i) Complete the missing elements of the marketing mix below.

1. ______________________________	**2. ______________________________**
Marketing Mix	
3. ______________________________	**4. Place**

(ii) Outline **one** factor that a business should consider when deciding on the place to sell their product / service.

Question 10

Identify **three** types of insurance a family might purchase.

1.
2.
3.

Question 11

Explain **two** advantages to a business of recycling.

1.
2.

Question 12

Explain **two** reasons why Ireland trades with other countries.

1.
2.

Question 13

Indicate which of the following statements are true or false by placing a tick (✓) in the correct box.

	True	False
A Business Plan should include the aims and objectives of the company.		
The government requires all companies to produce a Business Plan.		
A Business Plan should include details of the company's competitors.		

Question 14

2023 is the 50th anniversary of Ireland joining the European Union.

Outline **one** economic benefit and **one** social benefit of Ireland's membership of the European Union.

Economic benefit:
Social benefit:

Question 15

Mary would like to buy a smart TV. The TV she wants to purchase is priced at €1,000. She has seen the following information on www.ccpc.ie.

Bank Loan
Personal Loan €1,000 **Repayments 12 months @ €87.24**

Mary has decided to get the loan from the bank.

Calculate the interest and the total cost of the TV for Mary using the information provided above.

How much will Mary pay for the television in total?	**€**
How much interest will Mary pay?	**€**

Workings:

Section B	180 marks

Answer all 3 questions.

All questions carry equal marks.

Question 16

(a) Martin Ryan is 18 years old and has just completed his Leaving Certificate. In September he hopes to go to college to study Accounting.

He has a part time job in his local supermarket. He wants to save money to help with college expenses.

(i) Explain **two** rights and **one** responsibility Martin has as an employee.

Rights
1.
2.
Responsibility

Martin would like to go on holiday with his friends at the end of the summer. He is also interested in buying a laptop which would be useful when he goes to college in September. His two options are shown below:

Option 1	**Option 2**
Holiday in Spain €450	Laptop €450

Martin has decided to go ahead and purchase the laptop.

(ii) Identify the financial cost and the opportunity cost of Martin's choice:

Financial Cost:	
Opportunity Cost:	

(b) Martin has been working in his local supermarket.

You have been given the following information regarding his wages:

Basic working week:	39 hours	Hours worked:	45 hours
PAYE:	20%	Hourly rate of pay:	€10
PRSI:	4%	Overtime rate:	Time and a half
USC:	2%	Weekly Tax Credit:	€34

(i) Using the above information complete Martin's wage slip below.

Name	Martin Ryan	**Week No**	16
PPSN	2284381GA	**Date**	26 Apr 2023
Basic	€	PAYE	€
Overtime	€	PRSI	€
		USC	€
Gross Pay	€	**Total Deductions**	€
		Net Pay	€

Workings:			
Basic and Overtime	PAYE and Tax Credit	PRSI	USC

Martin volunteers for his local GAA club for the summer months.

(ii) Identify **three** benefits to Martin of volunteering with his local GAA Club Mount Rangers.

1.
2.
3.

(iii) Differentiate between employment **and** volunteerism for Martin.

(c) Mount Rangers GAA Club prepare a cash flow budget each year.

(i) Using the following information **complete** the cash flow budget below:

Estimated Expenditure:

- Purchases; June €172, July €58, August€135
- New equipment; June €450
- Administration costs; June €20, July €26, August €18

Mount Rangers Cash Flow Budget				
Details	June €	July €	August €	Total (June-August) €
Receipts				
Grant	250	250	250	750
Fundraising	150	350	250	750
Total receipts	400	600	500	1,500
Payments				
Purchases				
New equipment				
Administration				
Total payments				
Net cash				
Opening cash	175			
Closing cash				

(ii) Based on your above cash flow budget, what advice would you give to the club regarding their closing cash position in June?

Advice:

Question 17

The following trial balance was taken from the books of Cupán Eco Ltd, on 31/12/2022, the end of its financial year. The authorised share capital is 600,000 €1 ordinary shares.

Trial Balance of Cupán Eco Ltd as at 31/12/2022		
	€	€
Sales		268,600
Purchases	121,000	
Carriage inwards	9,000	
Stock 01/01/2022	14,000	
Insurance	6,600	
Advertising	42,400	
Wages	52,000	
Light & heat	15,000	
Buildings	274,000	
Equipment	92,800	
Cash	21,600	
Dividends paid	9,200	
Debtors	20,000	
Creditors		14,000
Bank overdraft		7,000
Profit and loss balance 01/01/2022		48,000
Issued share capital		340,000
	677,600	677,600

The following information is also provided: Stock 31/12/2022: €25,000 Depreciation: Buildings 2% Equipment 20%	Workings:

(a) Complete the Income Statement for Cupán Eco Ltd for year ended 31/12/2022.

Income Statement of Cupán Eco Ltd for the year ended 31/12/2022			
	€	€	€
Sales			268,600
Less cost of sales			
Stock 01/01/2022		14,000	
Purchases		121,000	
Carriage inwards		9,000	
		144,000	
Less stock 31/12/2022		25,000	119,000
Gross profit			149,600

(b) Prepare the Statement of Financial Position for Cupán Eco Ltd as at 31/12/2022.

Statement of Financial Position of Cupán Eco Ltd as at 31/12/2022			
	Cost	Dep	N.B.V.
	€	€	€

(c) Cupán Eco Ltd want to build a large extension to their premises.

(i) Recommend a suitable source of finance that Cupán Eco Ltd could use to fund the expansion. Give a reason for your answer.

Suitable source of finance:
Reason:

(ii) Outline **two** economic benefits for the Irish government of the success of companies like ‘Cupán Eco Ltd’.

1.
2.

(iii) ‘’Corporate Social Responsibility is a concept whereby businesses and other organisations integrate their social and environmental responsibilities into their mainstream business operations, and business decisions are made with reference to wider sustainability issues.’’ - The Department of Enterprise, Trade and Employment, January 2023.

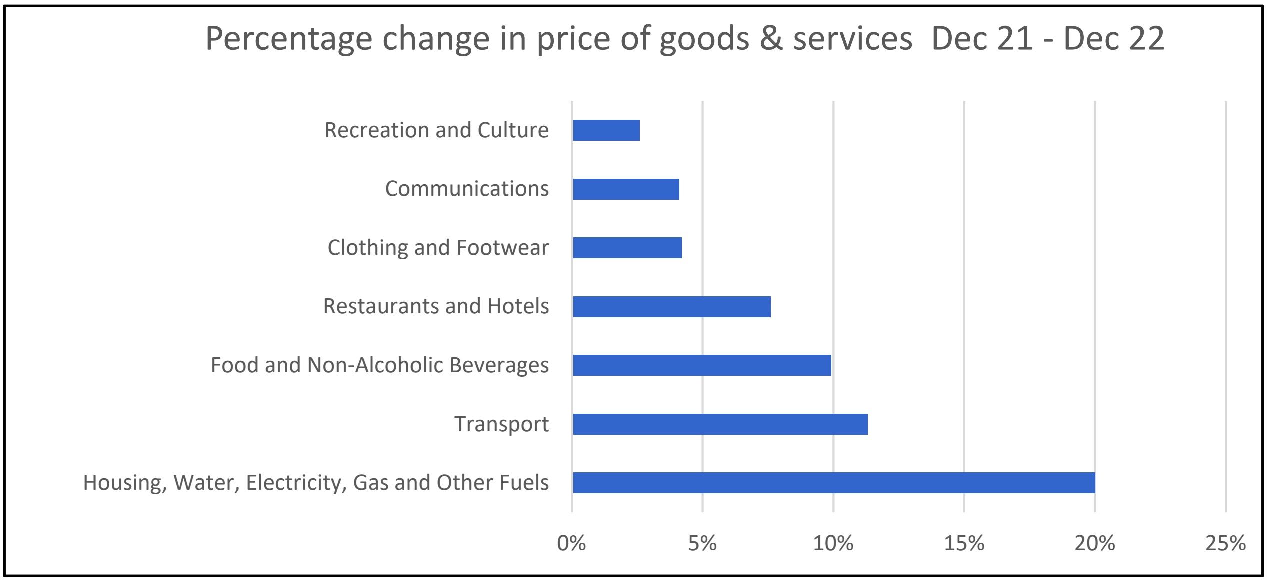
Outline **two** social responsibilities Cupán Eco Ltd has to the local community.

1.
2.

Question 18

The Central Statistics Office (CSO) conducts inflation measurement in Ireland.

(a) Using the information given below answer the questions that follow.



adapted from cso.ie

(i) Identify which category of goods and services shows the largest increase in price.

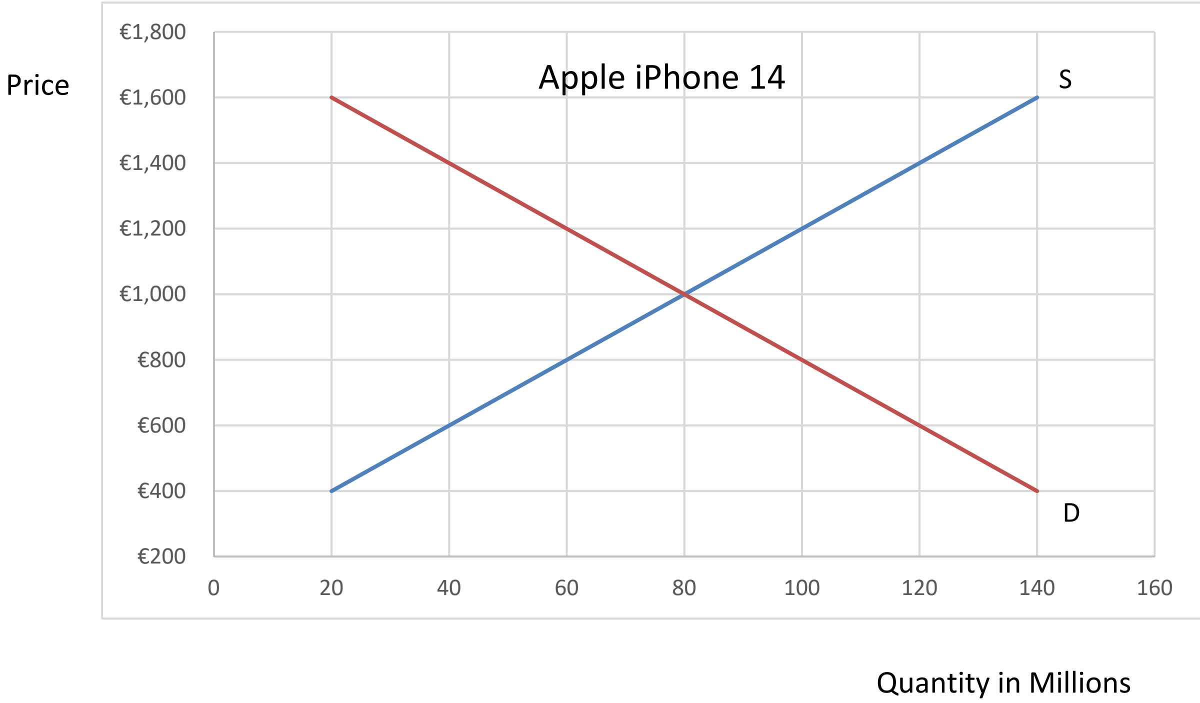
(ii) State the official measure of inflation in Ireland.

C________________	P______________	I_______________

(iii) Explain one impact a rising level of inflation can have on an individual and a business in your local area.

An individual:
A business in your local area:

(b) Apple iPhone 14



(i) Use the above diagram to answer each of the following questions.
Write your answers in the spaces provided.

Indicate the equilibrium quantity demanded of the 'Apple iPhone 14'.	Units
Indicate the equilibrium price of the 'Apple iPhone 14'.	€
Indicate the quantity demanded of the 'Apple iPhone 14' at €1,600.	Units

(ii) Explain the term substitute good and give an example of a substitute good for the 'Apple iPhone 14'.

Explanation:
Example:

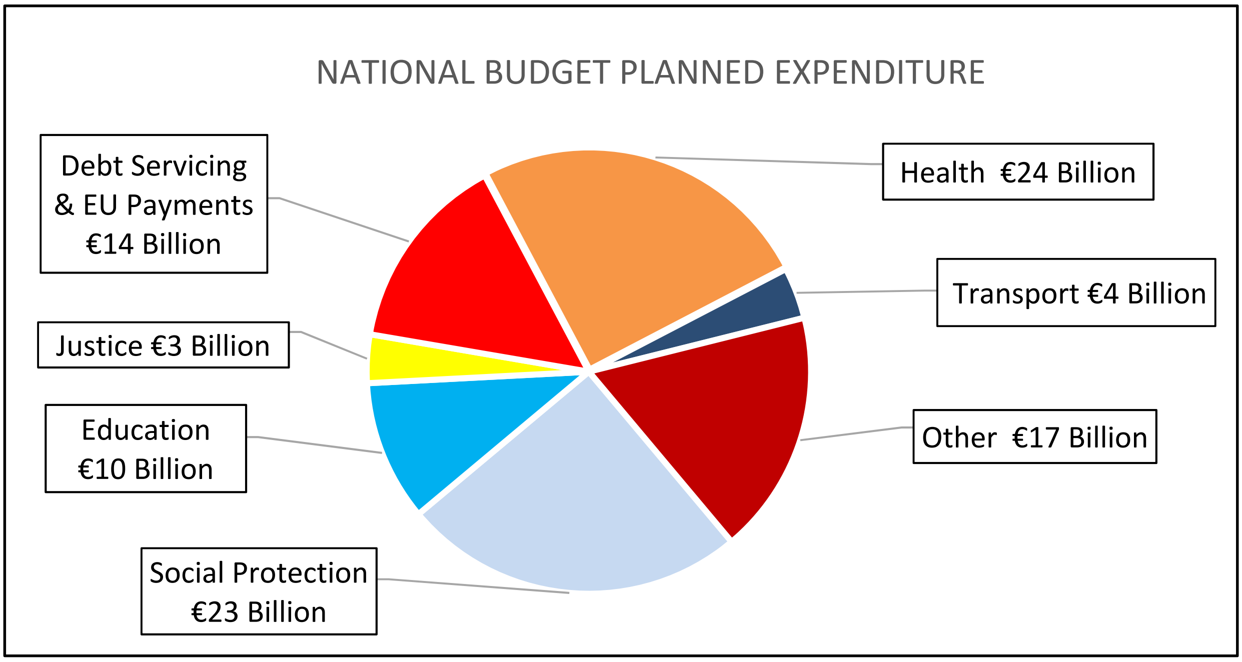
(iii) If there was a reduction in supply of Apple iPhones, what impact would this have on the price of Apple iPhones? Give a reason for your answer.

Impact:
Reason:

(iv) What impact would the following have on the supply of the Apple iPhone 14? Place a tick (✓) in the correct box.

	Increased supply of Apple iPhone 14	Decreased supply of Apple iPhone 14
Decrease in the cost of producing an Apple iPhone 14		
Industrial action by Apple employees		
A storm blew the roof off a factory producing the Apple iPhone 14		

(c) The figures below were presented on budget day for a country as projections for the following year.



(i) Using the information from the pie chart above prepare the National Budget for the following year.

National Budget for the year		
	€ Billions	€ Billions
Income		105
Expenditure		
	Answer:	€
Is the government budget for the year a deficit **or** surplus?		

(ii) Using the pie chart of National Budget Planned Expenditure, on the previous page, identify the sector the government plans to spend most money on next year.

(iii) In the event of a surplus in the National Budget, advise the Minister for Finance what to do with the surplus money?

(iv) Identify **one** example of capital expenditure and **one** example of current expenditure for the Department of Education.

Capital expenditure:
Current expenditure:

Additional answer space.
Label all work clearly with the question number and part.

Additional answer space.
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Additional answer space.
Label all work clearly with the question number and part.

Acknowledgements

Images
Page 4: www.odonnellscrisps.ie
Page 5: www.thecai.ie
Page 6: www.galwayartsfestival.ie
Page 8: www.europa.eu
Page 13 www.gaa.ie
Page 17: www.enterprise.gov.ie
Page 19: www.cso.ie
Page 20: www.apple.com
Page 22: www.mymoneymatters.ie

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Monday 12 June

Afternoon 1:30 - 3:30