

WARNING

You must return this section with your answer book at the end of the examination, otherwise marks will be lost.

Candidate's Examination Number



Coimisiún na Scrúduithe Stáit State Examinations Commission

JUNIOR CERTIFICATE EXAMINATION, 2007

BUSINESS STUDIES – ORDINARY LEVEL

WEDNESDAY, 13 JUNE 2007 – MORNING, 9.30 a.m. - 12.00 noon

SECTION A (100 marks)

Answer all 20 questions. Each question carries 5 marks.

Calculators may be used.
Make and Model of Calculator Used:



1. What do the following letters stand for? (*Write each answer in full in the space provided.*)

ATM	
COD	

2. Answer questions (a) and (b) which follow this document:

Home Cleaners Ltd	Rockfield Business Park, Cork Telephone: 021-6433177 Fax: 021-6433180	No. 5144
Date:	16 February 2007	
Received From:	Margaret Roche	
The Sum of:	Four hundred and fifty euro	€450.00
<i>With Thanks</i>	Signed: Gerard West	Accounts Dept

- (a) What is this document called? _____
- (b) Who received the €450? _____

3. Name the currency which is legal tender in each country below:

Country	Currency
USA	
ENGLAND	
GERMANY	

4. Give **two** examples of Fixed Assets in a farmer's Balance Sheet:

(i)

(ii)

5. Which **one** of the following is a **Visible Export** for Ireland?

Japanese tourists coming to Ireland on a golf holiday.

A German wholesaler selling MP3 players to an Irish retailer.

An Irish manufacturer selling furniture to a buyer in Portugal.

(Tick (✓) the most appropriate box.)

6. Place the following customers' names in alphabetical order:

JACK RYAN

JIM RIORDAN

JOE REDDY

JEFF REED

(i)	
(ii)	
(iii)	
(iv)	

7. Give **one** example of **each** of the following types of production:

Type of Production	Example
Primary	
Services	

8. In **each** space below, write the most appropriate document name from the following list:

QUOTATION ORDER STATEMENT INVOICE DELIVERY NOTE

(Two of the documents above do not refer to any of the explanations below.)

	DOCUMENT	EXPLANATION
(i)		This is a request to purchase goods.
(ii)		This is signed when goods arrive at the buyer's premises.
(iii)		This is a summary of a month's transactions sent by a seller to a customer.

9. A household spent €2,000 on a new flat-screen television instead of taking a holiday which would have cost the same amount.

The **opportunity cost** of the television is

The €2,000 which the household spent.

The new flat-screen television.

The holiday which the household did not take.

(Tick (✓) the most appropriate box.)

10. The following figures are from the books of Harrison Ltd for the year ending 31 December 2006:

Cash in Bank €17,650 Buildings €90,000 Cash on Hand €5,850 Sales €83,450

In the following extract from the Balance Sheet of Harrison Ltd on that date, enter and total the Current Assets:

Extract from Balance Sheet of Harrison Ltd as on 31-12-06	
CURRENT ASSETS	€
TOTAL CURRENT ASSETS	

11. Fill in the **two** missing Ps of marketing in the spaces provided:

PRODUCT			PLACE
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12. Complete the following sentence:

A consumer who returns a faulty product that cannot be repaired is entitled to either a

_____ or a _____.

13. Answer *either (A) or (B)*:

(A) Balance the following Bank Account and bring down the balance at the end of the month:

Dr				Bank Account				Cr
Date	Details	F	Total	Date	Details	F	Total	
2007			€	2007			€	
May 1	Balance	b/d	755	May 9	Rent	GL6	250	
14	Dividends	GL7	945	18	Heating	GL8	825	

OR

(B) Balance the following Bank Account by completing the last three lines of the 'Balance' column:

Bank Account					
Date	Details	F	Dr	Cr	Balance
2007			€	€	€
May 1	Balance	b/d			755
9	Rent	GL6		250	
14	Dividends	GL7	945		
18	Heating	GL8		825	

14. **Column 1** is a list of retailing 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. Supermarket	A. Selling goods from a market stall
2. Mail Order	B. Selling goods from different types of shops in one building
3. Shopping Centre	C. Selling a variety of goods in a large self-service store
	D. Selling goods through the post using a catalogue

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

1.	2.	3.

15. A cheque which is crossed with the words ‘Account Payee Only’

Can only be lodged to the account of the person named on the cheque.

Can only be lodged to the account of the person paying the cheque.

Can only be cashed in a shop.

(Tick (✓) the most appropriate box.)

16. Karen Ryan borrowed €4,500 from her local bank. The rate of interest on loans was 9% per year. One year later, she paid back all the money with interest. Calculate the total amount she paid back:

Answer:
€

Workings:

17. Donal Norton received his wages in cash. His employer used the least number of notes and coins possible when putting the cash in Donal’s pay envelope. Complete the Note/Coin Analysis Slip showing how many notes and coins of each amount were in the envelope:

NOTE/COIN ANALYSIS													
TOTAL	€100	€50	€20	€10	€5	€2	€1	50c	20c	10c	5c	2c	1c
€290.46	2												

18. In each space below, write the most appropriate word or term from the following list:

INCOME LIABILITIES COST OF SALES ASSETS PURCHASES SALES

(Two of the words/terms above do not complete any of the sentences below.)

(i) Gross Profit equals _____ minus _____.

(ii) Working Capital equals Current _____ minus Current _____.

19. From the following government budget for 2007, calculate the difference between Total Income and Total Expenditure. Indicate whether it is a **surplus** or a **deficit** budget:

Government Budget 2007	
	€ (million)
Total Income	12,150
Total Expenditure	13,350

20. Complete the following sentence:

A shop steward is

REMEMBER TO RETURN THIS COMPLETED SECTION 'A' WITH YOUR ANSWER BOOK

For examiner use only:	Total Marks for Section A		Cumulative total c/f:	
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For use with SECTION B – Question 1

1. (A)

WHELAN HOUSEHOLD	JAN	FEB	MAR	APR	TOTAL
PLANNED INCOME	€	€	€	€	€
Harry Whelan – Salary					
Angela Whelan – Salary					
Child Benefit					
A. TOTAL INCOME					
PLANNED EXPENDITURE					
<i>Fixed</i>					
House mortgage					
House insurance premium					
Car loan					
Subtotal					
<i>Irregular</i>					
Household expenses					
Car running costs					
Light and heat					
Broadband costs					
Mobile phone costs					
Subtotal					
<i>Discretionary</i>					
Presents					
Entertainment costs					
Holiday costs					
Subtotal					
B. TOTAL EXPENDITURE					
Net Cash (A – B)					
Opening Cash					
Closing Cash					

1. (B)	Discretionary Expenditure:		
1. (C)	Methods of paying for mobile phone ‘top-ups’:	(i)	
		(ii)	

For examiner use only:	Total b/f:		Total for Question 1:		Cumulative total c/f:	
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For use with SECTION B – Question 4

(A) In what bank and branch does Emily have her Current Account?		For Office Use Only	
Bank:			
Branch:			

(B) According to AIB, how much money did Emily have in her Current Account on 30 April 2007?			
Answer:	€		

(C) Explain the entry of 3 April 2007.			
Answer:			

(D) Lodgement Slip and Counterfoil

Memorandum only Lodgment Branch Name Account Number € Brand/Initials	107/01  Current Deposit Cashsave Tick Account applicable Brand/Initials	Lodgment Bank use only N B P T M National Sorting Code 93	Account Number
		AIB Bank Branch Account Name Address Paid in by	€ Notes Coins 1 & 2 € Other Coins Total Cash Cheques etc. As per Back € euro euro euro

Workings:

For use with SECTION B – Question 4 (continued)

(E) Explain one possible reason why the cheque to her insurance company did not appear on the Bank Statement.	For Office Use Only	
Reason:		

(F) Explain three of the following terms which appear on the Bank Statement: Current Account; Account Number; Sorting Code; Direct Debit.		
(i)		
(ii)		
(iii)		


For examiner use only:	Total b/f:		Total for Question 4:		Cumulative total c/f:	
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(A) Invoice

Travel Wholesale Ltd			INVOICE No. 72356	
Hyde Business Park, Roscommon				
Telephone: 090-7661992			VAT Reg. No. IE 8181552	
Fax: 090-7771995				
e-mail: travelwholesale@alo.net				
			Date: _____	
			Your Order No.: _____	
QUANTITY	DESCRIPTION	CODE No.	PRICE EACH €	TOTAL €
			Total (Excluding VAT)	
			Trade Discount	
			Subtotal	
Carriage Paid E & O E			VAT	
			Total (Including VAT)	

Workings:

(B) Cheque and Counterfoil

Date		Bank of Ireland 90-85-31	
To		BOYLE, Co. ROSCOMMON	Date _____
Balance	€ 14,800.00	Pay	or order euro euro euro
This Cheque	€	€	
New Balance	€	THE BAG SHOP LTD	
			
600429		600429 908531 12873669	

(C) Bank Account

Dr	The Bag Shop Ltd - Bank Account						Cr
Date	Details	F	€	Date	Details	F	€

OR

The Bag Shop Ltd - Bank Account						
Date	Details	F	Dr	Cr	Balance	
			€	€	€	

(D) Carriage Paid means	For Office Use Only	

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For use with SECTION B – Question 6

(A) Analysed Receipts and Payments Account (Analysed Cash Book) of the Tiger Pitch and Putt Club

Dr						Cr							
Date	Details	Bank	Comp.	Lotto	Memb. Fees	Date	Details	Cheque No.	Bank	Comp.	Lotto	Wages	Other
2007		€	€	€	€	2007			€	€	€	€	€

(B) Calculate the surplus or deficit that the club made on the lotto during March.

Answer: €	Surplus		<i>Tick (✓) the correct box</i>
	Deficit		
Workings:			

(C) Apart from preparing the club’s accounts, name **two** duties of a treasurer.

	For Office Use Only
(i)	
(ii)	

For examiner use only:	Total b/f:		Total for Question 6:		Cumulative total c/f:	
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For use with SECTION B – Question 7

			For Office Use Only
(A)	Calculate Mary’s gross wage per hour for a 37-hour week.		
	Answer:	Workings:	
	€		
(B)	Calculate Mary’s gross wage for the week. Show your answer and workings.		
	Answer:	Workings:	
	€		
(C)	Name three rights and three responsibilities that Mary has as an employee of the supermarket.		
	Rights:		
	(i)		
	(ii)		
	(iii)		
	Responsibilities:		
	(i)		
	(ii)		
	(iii)		

For use with SECTION B – Question 7 (continued)

(D)	Name two rewards and two risks of being self-employed.	For Office Use Only	
	Rewards:		
	(i)		
	(ii)		
	Risks:		
	(i)		
	(ii)		

For examiner use only:	Total b/f:		Total for Question 7:		Cumulative total c/f:	
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For use with SECTION B – Question 8

(A)	Name three factors which a business would consider when choosing a transport system to deliver goods to its customers. Explain the importance of each factor.	For Office Use Only	
	(i) Name of factor:		
	Importance of factor:		
	(ii) Name of factor:		
	Importance of factor:		
	(iii) Name of factor:		
	Importance of factor:		
(B)	(i) Give two advantages of using road transport.		
	(a)		
	(b)		
	(ii) Give two disadvantages of using road transport.		
	(a)		
	(b)		
(C)	Calculate the latest time that a van driver from Express Couriers Ltd can set off from Carlow to deliver the packet by 9.00am in Tralee.		
	Answer:	Workings:	
	Latest time of departure: _____		

For use with SECTION B – Question 8 (continued)

(D)	Toll roads, quality bus corridors, distance tables, bypasses, bicycle lanes, tachographs, ferries, pipelines and fork-lift trucks are terms used with transport and delivery systems. Explain four of these terms.	For Office Use Only	
(i)			
(ii)			
(iii)			
(iv)			

REMEMBER TO RETURN THIS COMPLETED SECTION 'A' WITH YOUR ANSWER BOOK

For examiner use only:	Total b/f:		Total for Question 8:		Cumulative total c/f:	
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