

JC Business Studies Ordinary Level Only  
**EXAMINATION BOOKLET**

Candidate's Examination Number



**Coimisiún na Scrúduithe Stáit**  
**State Examinations Commission**

JUNIOR CERTIFICATE EXAMINATION 2016

**BUSINESS STUDIES – ORDINARY LEVEL**

TUESDAY 14 JUNE 2016 – MORNING 9.30-12.00

**Answer Section A (starting on Page 2) and Section B (starting on Page 9)**

**Junior Certificate**  
**Ordinary Level**

CENTRE STAMP

Question	Examiner's Marks	Advising Examiner's Marks
Total Sec. A		
Section B		
1		
2		
3		
4		
5		
6		
7		
8		
<b>Total</b>		
Irish Bonus		
<b>Grand Total</b>		
Grade		

Calculators may be used.

**Make and Model of Calculator Used:**

1. Total of end of page totals	
2. Aggregate total of all disallowed question(s)	
3. Total mark awarded (1 minus 2)	
4. Bonus mark if answered through Irish	
5. Total mark awarded if Irish Bonus (3 + 4)	
Note: The mark in row 3 (or row 5 if an Irish bonus is awarded) must equal the mark in the Grand Total box.	

# SECTION A

(100 marks)

Answer all 20 questions. Each question carries 5 marks.

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

<b>AGM</b>	
<b>DIRT</b>	

2. Pauline Galvin is the Petty Cashier at Kingdom Ltd. On 15 May 2016, she paid Sinéad Brown €18.50 out of Petty Cash for posting a parcel. Enter this transaction in the Petty Cash Voucher below.

<b>Kingdom Ltd</b>	<b>PETTY CASH VOUCHER No. 67</b>	
	Date	
Details	Amount	
	€	c
Signature:		

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

<b>PRODUCT</b>			<b>PLACE</b>
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4. A consumer who returns a faulty good that cannot be **repaired** is entitled to either:

(i)	<b>OR</b>	(ii)
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Complete **both** boxes.

5. Complete the following sentence:

A 'Shop Steward' is

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6. Harry Nestor purchased groceries for €155.30 at his local supermarket. He handed the shop assistant **four €50 notes** and received his change. The shop assistant used the least number of notes and coins possible when counting out Harry's change.

Complete the note/coin analysis showing how much change Harry received and how many notes and coins of each description were handed out to him.

NOTE/COIN ANALYSIS												
CHANGE	€50	€20	€10	€5	€2	€1	50c	20c	10c	5c	2c	1c

7. John Burns has decided to change from a sole trader to a **private limited company** called Burns Ltd. Name **two** advantages of making this change.

1.

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2.

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8. Complete the following sentence:

A semi-state company is one which is owned by the \_\_\_\_\_ . The semi-state company responsible for rail travel in Ireland is called \_\_\_\_\_ .

9. In **each** space provided below, write the correct insurance term for each explanation from the following list:

UTMOST GOOD FAITH      PREMIUM      ASSESSOR  
 ACTUARY      POLICY

*(One of the terms above does not refer to any of the explanations below.)*

	INSURANCE TERM	EXPLANATION
(i)		The amount paid for insurance.
(ii)		The person who estimates the compensation to be paid.
(iii)		Must be truthful when seeking insurance.
(iv)		The insurance contract.

10. Stephanie Roche is going to the Olympics in Rio, Brazil in August 2016. She was advised to bring US Dollars. She has saved €2,500 for the trip. She visits her local bank to exchange her euro for dollars. The current exchange rate is €1 = \$1.12.



Calculate the amount of US Dollars she will receive for €2,500.

Answer
\$

Workings:

11. Place the following customers' surnames in alphabetical order:

JOHN KEANE

THOMAS KEADY

PAUL KEATING

COLM KEANEY

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

12. Place a tick (✓) after each statement showing whether it is TRUE or FALSE

	TRUE	FALSE
Facebook, Twitter and Snapchat are forms of communication.		
Ireland is a member of the European Union and the eurozone.		
Teachers work in the Secondary Sector of Production.		

13. The following are meter readings taken from an Irish Water bill. Calculate the number of litres used **and** the total charge. Enter your answers in the appropriate spaces.

Water Meter Readings	
Present	763,940
Previous	687,940
No. of litres used	
Rate per 1,000 litres	€1.85
Total Charge	€

Workings:
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14. Place the following Business Documents in the order in which they are used:

INVOICE

RECEIPT

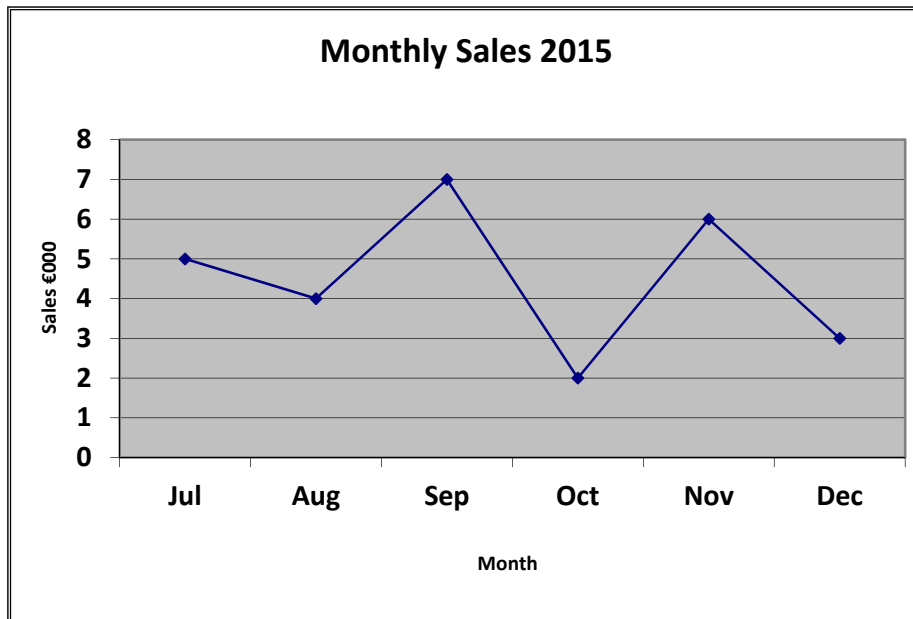
STATEMENT

CHEQUE

ORDER

1	
↓	
2	
↓	
3	
↓	
4	
↓	
5	

15. The following line graph shows the monthly sales for Hall Ltd for the last six months of 2015:



Using the above graph, answer **each** of the following questions:

	Questions	Answers
(i)	Identify the month that had the highest sales.	
(ii)	Identify the month that had the lowest sales.	
(iii)	State the Sales Total for November 2015?	€



18. **Column 1** shows a list of economic 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. Inflation	A. Something done without when something else is chosen
2. Opportunity Cost	B. Buying on the spur of the moment
3. Scarcity	C. A rise in the general level of prices in a year
	D. When demand for a product is greater than the supply

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

1.	2.	3.

19. If you buy goods on Hire Purchase, you become the owner after

- you have paid the deposit
- you have paid the last instalment
- you have brought the goods home

(Tick (✓) the correct box.)

20. The following figures are from the books of Casey Ltd:

<b>Bank Overdraft</b>	<b>€5,000</b>	<b>Machinery</b>	<b>€63,500</b>
<b>Reserves</b>	<b>€34,000</b>	<b>Issued Share Capital</b>	<b>€250,000</b>

Enter **and** total the 'Financed by' section in the following extract from the Balance Sheet of Casey Ltd as at 31 December 2015:

Extract from Balance Sheet of Casey Ltd as at 31-12-2015	
<b>Financed by:</b>	<b>€</b>
<b>TOTAL CAPITAL EMPLOYED</b>	

For examiner use only:	Total Marks for Section A		Cumulative total c/f:	
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**Note:**

On the following pages, space is provided for answering all questions in Section B.

Answer any **five** questions.

Please read the questions in Section B carefully before answering.

This area may be used for workings if required.



**For use with SECTION B – Question 1**

**(A)**

NOONE HOUSEHOLD	SEPT	OCT	NOV	DEC	TOTAL
PLANNED INCOME	€	€	€	€	€
Peter Noone - salary					
Aoife Noone - salary					
Child benefit					
<b>A. TOTAL INCOME</b>					
PLANNED EXPENDITURE					
<i>Fixed</i>					
House mortgage					
House insurance					
Health insurance					
Subtotal					
<i>Irregular</i>					
Household costs					
Telephone costs					
Light and Heat					
Car running costs					
Education costs					
Subtotal					
<i>Discretionary</i>					
Presents					
Entertainment costs					
Holiday costs					
Subtotal					
<b>B. TOTAL EXPENDITURE</b>					
Net cash (A – B)					
Opening cash					
Closing cash					

<b>(B)</b>	Calculate the annual child benefit for the Noone household. Show your answer and workings.	<b>Answer: €</b>	Workings:
<b>(C)</b>	If the Noone household had to take out a one-year loan at 9% per annum to purchase the iPads, calculate the total cost of the iPads. Show your answer and workings.	<b>Answer: €</b>	Workings:

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**

				For Office Use Only
<b>(A)</b>	(i)	In what bank and branch does Eamon have his account?		
		<b>Bank:</b>		
		<b>Branch:</b>		
	(ii)	Is Eamon’s bank account a deposit account or current account? Give <b>one</b> reason for your answer.		
		<b>Answer:</b>		
		<b>Reason:</b>		
	(iii)	According to AIB Bank, how much money does Eamon have in his account on 31 May 2016?		
		<b>Answer:</b> €		
	(iv)	Explain the entry of 23 May 2016.		
	(v)	Explain the term ‘Paypath’.		
<b>(B)</b>		Calculate the total interest Eamon will have to pay on his car loan		
		<b>Answer:</b> €		
		<b>Workings:</b>		

**For use with SECTION B – Question 4 (continued)**

(C) Complete the Loan Application Form using today's date.

<b>LOAN APPLICATION FORM</b>					
<b>PERSONAL DETAILS</b>					
Name		Mr, Mrs, Ms			
Address					
Telephone			<b>AIB Bank</b>		
Date Of Birth					
<b>EMPLOYMENT DETAILS</b>					
Occupation					
Employer's Name & Address					
Net Salary Per Month					
No. of Years in Your Present Employment					
<b>LOAN REQUIRED</b>					
Amount					
Purpose					
How long do you want the loan for?					
How much can you repay each month?					
<b>Details of other existing loans</b>					
Lender		Amount		Annual Repayments	
<b>SIGNATURE</b>			<b>DATE</b>		

For examiner use only:	Total b/f:		Total for Question 4:		Cumulative total c/f:	
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**For use with SECTION B – Question 5**

<b>(A)</b>	(i) Name <b>two</b> pieces of information in a Quotation that helped Molly to make her decision to buy from ROG Equipment Ltd.	For Office Use Only	
	1.		
	2.		

(ii) Complete the Order:

<b>Garden Supplies Ltd</b>		<b>ORDER No. 201</b>											
<b>Ennis</b>													
<b>Co. Clare</b>													
Telephone: 065-684432			VAT Reg. No. IE8896543										
Fax: 065-684435													
e-mail: garden@ennis.ie													
			Date: _____										
<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 50%; height: 30px;"></td><td style="width: 50%;"></td></tr> <tr><td style="height: 30px;"></td><td></td></tr> <tr><td style="height: 30px;"></td><td></td></tr> <tr><td style="height: 30px;"></td><td></td></tr> <tr><td style="height: 30px;"></td><td></td></tr> </table>													
<b>Please supply the following goods:</b>													
QUANTITY	DESCRIPTION	MODEL	PRICE EACH €										
Signed:		Title:											





**For use with SECTION B – Question 5 (continued)**

- (C) On 5 June 2016, after receiving payment from Molly Malone, Roger O’Gara issues a receipt on behalf of ROG Equipment Ltd. On the same day, this transaction is entered into the Bank Account of ROG Equipment Ltd.

Enter the receipt of money from Garden Supplies Ltd in the Bank Account of ROG Equipment Ltd.

Dr <span style="float:right">Cr</span> <b>ROG Equipment Ltd - Bank Account</b>							
Date	Details	F	Total	Date	Details	F	Total
2016			€	2016			€

**OR**

<b>ROG Equipment Ltd – Bank Account</b>						
Date	Details	F	Dr	Cr	Balance	
2016			€	€	€	

For examiner use only:	Total b/f:		Total for Question 5:		Cumulative total c/f:	
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**The answer to Question 6 starts here:**

**For use with SECTION B – Question 6**

<b>(A)</b>	The Bank told Mary that cheques would not be in use after 1 August 2016.		For Office Use Only	
	(i)	Mary does not want to keep large amounts of cash in her house in case it is stolen. State <b>two</b> ways by which she could keep her cash secure.		
		1.		
		2.		
	(ii)	Mary will not be able to pay her farm bills by cash. List <b>one</b> method by which she could pay her farm bills in future.		
		<b>Answer:</b>		



**For use with SECTION B – Question 7**

<b>(A)</b>	The four factors of production are land, labour, capital and enterprise.		For Office Use Only
	(i)	State the rewards or payments for <b>each</b> factor of production.	
		The reward for land is:	
		The reward for labour is:	
		The reward for capital is:	
		The reward for enterprise is:	
	(ii)	Explain <b>two</b> of the factors of production.	
		1.	
		2.	

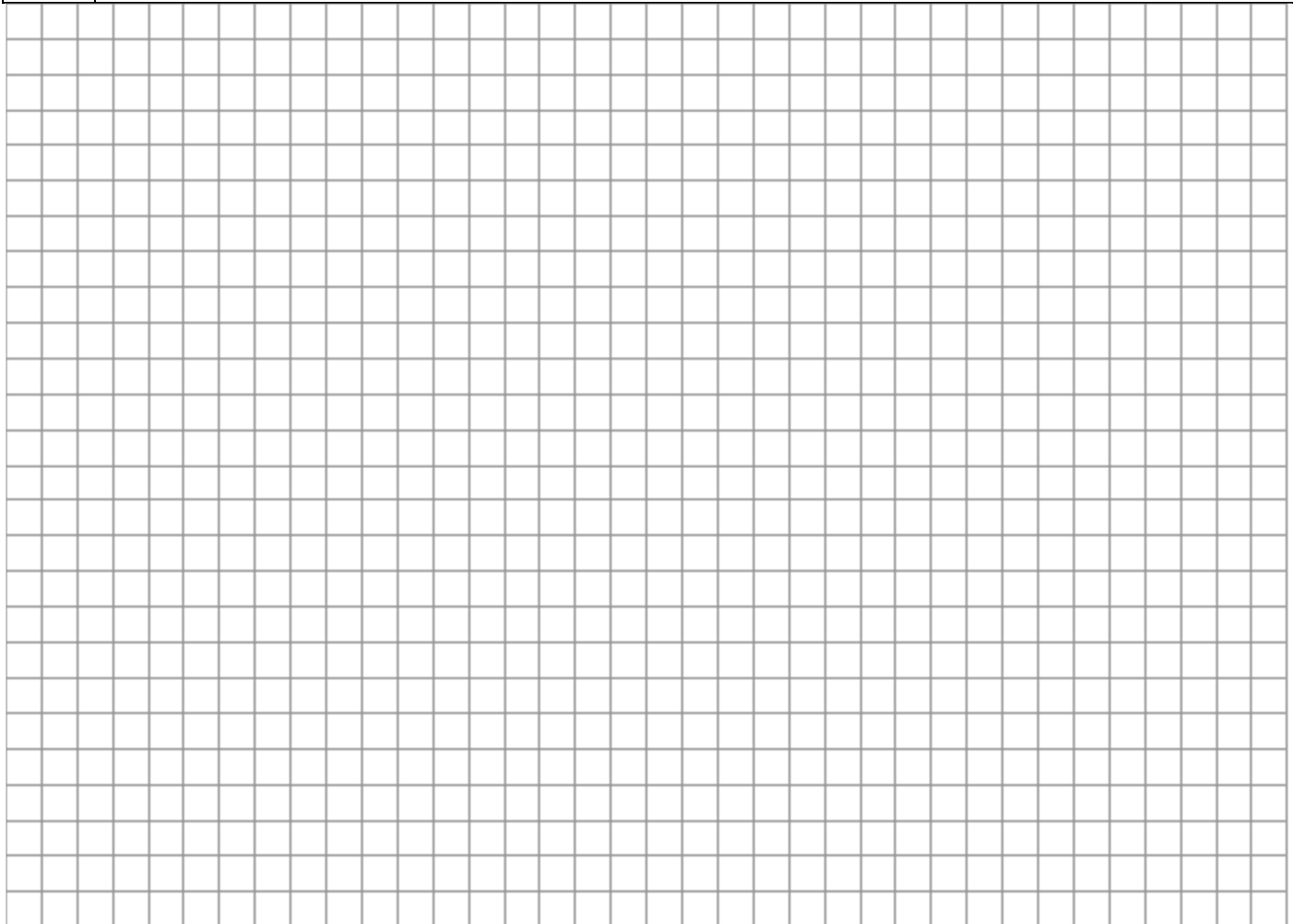
<b>(B)</b>	(i)	Which Government Department prepares the National Budget?	
		<b>Answer:</b>	
	(ii)	Give <b>one</b> reason why the Government prepares a National Budget.	
		<b>Answer:</b>	
	(iii)	Give <b>one</b> example of Government current expenditure on Education.	
		<b>Answer:</b>	
	(iv)	Give <b>one</b> example of Government capital expenditure on Education.	
		<b>Answer:</b>	

**For use with SECTION B – Question 7 (continued)**

- |            |   |
|------------|---|
| <b>(C)</b> | (i) Using all the information given, prepare the National Budget for the year 2017.<br>(ii) Indicate whether it is a ‘surplus’ or a ‘deficit’ budget. |
|------------|---|

(i)		<b>National Budget for the year 2017</b>		
			€000	€000
	INCOME			
	EXPENDITURE			
(ii)				

- |              |   |
|--------------|---|
| <b>(iii)</b> | Show the Government’s Planned Current Expenditure in the form of a <b>Bar Chart</b> . |
|--------------|---|



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**

<b>(A)</b>	<b>(i)</b>	Calculate how long the flight from Shannon to Rome takes for <b>each</b> of the airlines. Show your answers and workings.		For Office Use Only	
		<b>Dine Air</b>	<b>Alpha Airlines</b>		
		Workings:	Workings:		
		<b>Answer – Dine Air flight:</b>	<b>Answer – Alpha Airlines flight:</b>		
	Hours	Hours			
	Minutes	Minutes			
	<b>(ii)</b>	Explain <b>two</b> advantages and <b>two</b> disadvantages of using air transport.			
		<b>Advantages:</b>			
		1.			
	2.				
	<b>Disadvantages:</b>				
	1.				
	2.				
<b>(B)</b>	<b>(i)</b>	Calculate the total cost of the flight for Martin with <b>each</b> of the airlines. Show your answers and workings.			
		<b>Dine Air</b>	<b>Alpha Airlines</b>		
		Workings:	Workings:		
		<b>Dine Air Total Cost: €</b>	<b>Alpha Airlines Total Cost: €</b>		

**For use with SECTION B – Question 8 (continued)**

<b>(B)</b>	(ii)	On the basis of cost, which airline would you recommend Martin to fly with?	For Office Use Only	
		<b>Answer:</b>		

<b>(C)</b>	<p>In <b>each</b> space provided below, write the correct term for each explanation from the following list:</p> <p align="center">                     QUESTIONNAIRE                      SPECIAL OFFER                      MARKET                      BRANDING                      TEST MARKETING                 </p> <p align="center"><i>(One of the terms above does not refer to any of the explanations below.)</i></p>			
	<b>EXPLANATION</b>		<b>TERM</b>	
	(i)	The use of a name or logo to identify products and make them well known.		
	(ii)	A list of prepared questions which consumers are asked as part of a survey.		
	(iii)	Trying out a new product on a small number of consumers.		
	(iv)	Giving extra value for money, like three for the price of two.		

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