

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

Candidate's Examination Number



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

JUNIOR CERTIFICATE EXAMINATION 2012

**BUSINESS STUDIES – ORDINARY LEVEL**

TUESDAY 12 JUNE 2012 – 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		
Sec. B:		
1		
2		
3		
4		
5		
6		
7		
8		
Total		
Irish Bonus		
Grand Total		
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)

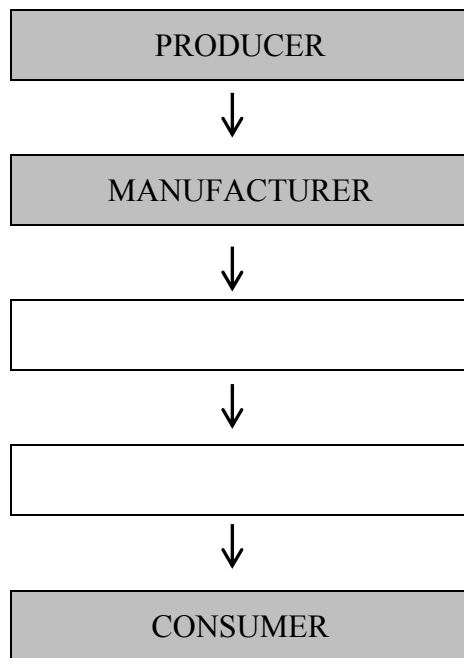
Answer all 20 questions. Each question carries 5 marks.

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

<b>PRSI</b>	
<b>AGM</b>	

2. Fill in the **two** blank spaces in the following Chain of Distribution:



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

EMILY KENNY    ELAINE KEARNS    EMMA KENNEDY    EVA KEESHAN

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

4. Mary is going on holidays to England. She orders £550 sterling in the bank. The current exchange rate is €1 = £0.88.



Calculate how many euro Mary will have to give the bank for £550 sterling.

Show your answer and workings.

Answer
€

Workings:

5. Complete each sentence below using the correct term from the following list:

RISK                  PROPOSAL FORM                  POLICY                  PREMIUM                  COVER NOTE

*(Three of the terms do not match any sentence)*

- (i) The money paid to an insurance company each year to keep something insured is called a \_\_\_\_\_.
- (ii) The document which must be completed when applying for insurance is called a \_\_\_\_\_.

6. Two of the following terms apply to Borrowing.

Tick (✓) the **two** correct boxes.

Deposit Account	<input type="checkbox"/>
Mortgage	<input type="checkbox"/>
Motor Insurance	<input type="checkbox"/>
Hire Purchase	<input type="checkbox"/>

7. Indicate which of the following activities is work or employment:

*Tick (✓) the correct box in each case.*

	Work	Employment
Part-time job in a shop		
Cleaning your bedroom		
Doing your homework		

8. The following figures are from the books of Tierney Ltd:

**Delivery Vans €72,000 Cash on hand €41,500 Creditors €27,000 Closing Stock €19,850**

Enter **and** total the Current Assets in the following extract from the Balance Sheet of Tierney Ltd as on 31 December 2011:

Extract from Balance Sheet of Tierney Ltd as on 31-12-11	
<b>CURRENT ASSETS</b>	<b>€</b>
<b>TOTAL CURRENT ASSETS</b>	

9. Sinéad Casey has a Current Account in the Bank of Ireland, Carlow. On 14 April 2012, she paid a cheque of €350 to Carlow Leisure Centre.

*(Write the correct word from the following list in the space provided).*

DRAWER                  DRAWEE                  PAYEE

Sinéad Casey is the \_\_\_\_\_ of that cheque.

10. Inflation is

- A fall in the general level of prices
- A rise in the general level of prices
- No change in the general level of prices

(Tick (✓) the correct box.)

11. Fill in the **two** missing Factors of Production in the spaces provided:

	LABOUR		ENTERPRISE
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12. Complete the following sentence:

The person who prepares a club's accounts is called the \_\_\_\_\_.

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	
2012			€	2012			€	
Apr 1	Balance	b/d	720	Apr 9	Rent	GL3	550	
18	Cash Sales	GL1	2,500	22	Advertising	GL5	960	

*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
2012			€	€	€
Apr 1	Balance	b/d			720
9	Rent	GL3		550	
18	Cash Sales	GL1	2,500		
22	Advertising	GL5		960	

14. Name **three** types of financial institution in which people may place the money they have saved:

- (i) \_\_\_\_\_
- (ii) \_\_\_\_\_
- (iii) \_\_\_\_\_



15. A consumer who returns a faulty good that cannot be **replaced** is entitled to either:



(i)

**OR**

(ii)

Complete **both** boxes.

16. Cadbury's chocolate bars can be bought in two bar sizes, small and large.

Small	Large
	
150 Grams €1.20 per bar	300 Grams €2.30 per bar

Calculate which size offers the best value for money. Show your answer and workings.

Answer	
Size:	

Workings:

17. Catherine Barry is the Petty Cashier at Carter Ltd. On 22 March 2012, she paid Michael Greene €25.75 out of Petty Cash for office window cleaning. Enter this transaction in the Petty Cash Voucher below:

CARTER Ltd	PETTY CASH VOUCHER No. 34	
	Date	22 March 2012
Details		Amount
		€
		c
Signature:	Catherine Barry	

18. From the following Government budget for 2012, calculate the difference between Total Income and Total Expenditure. Indicate whether it is a **surplus budget** or a **deficit budget**:

Government Budget 2012	
	€ (million)
Total Income	85,140
Total Expenditure	92,790

19. Complete the following sentence:

**Bankruptcy** is

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20. Ann Crehan received her wages in cash. Her employer used the least number of notes and coins possible when putting the cash in Ann's pay envelope. Complete the note/coin analysis showing how many notes and coins of each description were in the envelope.

NOTE/COIN ANALYSIS													
TOTAL	€100	€50	€20	€10	€5	€2	€1	50c	20c	10c	5c	2c	1c
€364.03	3												

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)**

RYAN HOUSEHOLD	JUNE	JULY	AUGUST	SEPT	TOTAL
PLANNED INCOME	€	€	€	€	€
John Ryan – salary					
Mary Ryan – salary					
Child benefit					
<b>A. TOTAL INCOME</b>					
PLANNED EXPENDITURE					
<i>Fixed</i>					
House mortgage					
House insurance					
Car insurance					
Subtotal					
<i>Irregular</i>					
Household costs					
Car running costs					
Light and heat					
School costs					
Television costs					
Subtotal					
<i>Discretionary</i>					
Birthday presents					
Entertainment costs					
Holiday costs					
Subtotal					
<b>B. TOTAL EXPENDITURE</b>					
Net Cash (A – B)					
Opening Cash					
Closing Cash					

<b>(B)</b>	Explain the term ‘Discretionary Expenditure’.

<b>(C)</b>	Calculate how much the household expects to pay for their house mortgage in the full year (2012) if there is no further change in the monthly payments.
<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 2**

**(A) (i)**

<b>Trading, Profit and Loss Appropriation Account of Daly Ltd for the year ended 31 December 2011</b>				
		<b>€</b>	<b>€</b>	<b>€</b>

*Space for Balance Sheet on next page*

Workings:

**For use with SECTION B – Question 2 (continued)**

**(A) (ii)**

Balance Sheet of Daly Ltd as at				
		€	€	€

<b>(B)</b>	(i) Explain the term ‘Closing Stock’:		For Office Use Only
	(ii) Calculate the Net Profit as a percentage of Cash Sales using the formula provided.	$\frac{\text{Net Profit}}{\text{Cash Sales}} \times \frac{100}{1}$	
	Answer:          %	Workings:	

For examiner use only:	Total b/f:		Total for Question 2:		Cumulative total c/f:	
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**For use with SECTION B – Question 3**

<b>(A)</b>	Write the letter that Mary Delaney sent to John Burke on 24 February 2012.	For Office Use Only	

**For use with SECTION B – Question 3 (continued)**

		For Office Use Only	

<b>(B)</b>	John could have set up a Private Limited Company instead of a Sole Trader. Give <b>two</b> advantages of a Private Limited Company.		
	1.		
	2.		

<b>(C)</b>	In the spaces below, name which <b>two</b> of the following documents are required when setting up a Private Limited Company:		
	<p align="center">                     LODGEMENT SLIP                      ARTICLES OF ASSOCIATION                      PROPOSAL FORM                      MEMORANDUM OF ASSOCIATION                      QUOTATION                 </p>		
	1.		
	2.		

For examiner use only:	Total b/f:		Total for Question 3:		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 Una have her account?		
		<b>Bank:</b>		
		<b>Branch:</b>		
	(ii)	Is Una’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 Bank of Ireland, how much money does Una have in her account on 31 March 2012?		
		<b>Answer:</b>		
<b>(B)</b>	(i)	Explain the entry of 8 March 2012.		
		<b>Answer:</b>		
	(ii)	Una noticed that cheque No. 3586, for €70, which she had paid to her vet on 21 March 2012, did not appear on her Bank Statement. Explain <b>one</b> reason for this.		
		<b>Answer:</b>		

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

<b>(C)</b>	Complete, in full, <b>each</b> sentence below correctly, using the information supplied.	For Office Use Only	
	(i) Paypath is		
	(ii) A standing order is		
	(iii) A stale cheque is		
	(iv) A dishonoured cheque is		
	(v) A direct debit is		

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


<b>Kitchen Supplies Ltd</b>				
Rosslands Industrial Estate, Tullamore, Co. Offaly			<b>INVOICE No: 7968</b>	
Telephone: 057 9329844			VAT Reg. No. IE 2378445	
Fax: 057 9329777				
e-mail: kitchen@rosslands.com				
<div style="text-align: right;">Date: _____</div> <div style="text-align: right; margin-top: 10px;">Your Order No.: _____</div>				
QUANTITY	DESCRIPTION	MODEL No.	PRICE EACH €	TOTAL €
Carriage Paid			Total (excluding VAT)	
E & O E			Trade Discount	
			Subtotal	
			VAT	
			Total (including VAT)	

Workings (if required):



For use with SECTION B – Question 5 (continued)

(B) Cheque

Date		<p><b>Bank of Ireland</b> 42-76-33                  MAIN STREET, ATHLONE,                  Co. WESTMEATH</p> <p>Date _____</p> <p>Pay _____ or order <b>euro euro euro</b></p> <p>_____ € _____</p> <p>HOUSE ELECTRICALS LTD</p> <p></p> <p>76548 427633 59421823</p>
To		
Balance	€ 40,000.00	
This Cheque	€ _____	
New Balance	€ _____	

(C) (i) Receipt

<b>Receipt No. 213</b>	
<b>Kitchen Supplies Ltd</b>	
Rosslands Industrial Estate, Tullamore, Co. Offaly	
Telephone: 057 9329844	VAT Reg. No. IE 2378445
Fax: 057 9329777	
e-mail: kitchen@rosslands.com	
Date: _____	
Received From: _____	
The Sum of:	€ _____
<i>With Thanks</i>	Signed: _____ (Cashier)

(ii) State <b>one</b> reason why a receipt is an important document.	For Office Use Only

For examiner use only:	Total b/f:		Total for Question 5:		Cumulative total c/f:	
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(A)

**Analysed Receipts and Payments Book (Analysed Cash Book) of Tom Donoghue**

Dr							Cr							
Date	Details	Rec. No.	Bank				Date	Details	Cheque No.	Bank				
2012			€	€	€	€	2012			€	€	€	€	€

**For use with SECTION B – Question 6 (continued)**

<b>(B)</b>	Explain <b>three</b> reasons why farmers should keep accounts:	For Office Use Only	
	Reason 1:		
	Reason 2:		
	Reason 3:		

<b>(C)</b>	Tom wants to borrow €20,000 to purchase a new tractor. The rate of interest is 5% per year. Calculate how much interest Tom will pay at the end of the first year.			
	<b>Answer: €</b>	Workings:		

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**

<b>(A)</b>	(i) Calculate the total number of kilometres that Cian travelled on 25 April 2012:		For Office Use Only
	<b>Answer:</b> km	Workings:	
	(ii) Cian travelled at an average speed of 78 kilometres per hour. Calculate how many hours driving he completed that day:		
	<b>Answer:</b> hours	Workings:	
	(iii) If the van travels 14 kilometres for every litre of diesel, calculate how many litres of diesel were used:		
	<b>Answer:</b> litres	Workings:	
	(iv) If the price of diesel was €1.55 per litre, calculate the total cost of diesel used:		
	<b>Answer:</b> €	Workings:	
	(v) Using the information in the question, calculate the exact time Cian arrived back in Mullingar:		
	<b>Answer:</b>	Workings:	

<b>(B)</b>	Name <b>three</b> factors which a business would consider when choosing a transport system to deliver goods to customers around the country. Explain the importance of <b>each</b> factor.		
	(i) Name of factor:		
	Importance of factor:		
	(ii) Name of factor:		
	Importance of factor:		
	(iii) Name of factor:		
	Importance of factor:		

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

<b>(C)</b>	Explain <b>two</b> of the following terms relating to transport in Ireland:  Toll Roads Roll-on Roll-off Motorways DART System Tunnels.	For Office Use Only	
	(i)		

For examiner use only:	Total b/f:		Total for Question 7:		Cumulative total c/f:	
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*Question 8 on next page*

**For use with SECTION B – Question 8**

<b>(A)</b>	(i)	Identify <b>each</b> of the computer components numbered 1, 2, 3.	(ii)	State whether <b>each</b> component is an input or output device.	For Office Use Only
	1.		1.		
	2.		2.		
	3.		3.		

(iii) <b>Column 1</b> shows a list of Information Technology terms. <b>Column 2</b> is a list of possible explanations for these terms.	
Column 1 – Terms	Column 2 – Explanations
1. Word Processing	<b>A.</b> Used for mathematical calculations, financial records, preparation of accounts and budgets.
2. Database	<b>B.</b> Used for typing and amending letters and documents on a computer.
3. Desk Top Publishing	<b>C.</b> Used for organising and filing information on a computer.
4. Spreadsheet	<b>D.</b> Used for gathering text and pictures from many sources and organising them for printing as posters, booklets or leaflets.

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

1.	2.	3.	4.

<b>(B)</b>	(i)	Siobhán Hogan is employed as a Sales Assistant in Pricerite Computers Ltd.	For Office Use Only	
	(a)	Last week, Siobhán worked 39 hours at €9.65 per hour. Calculate her gross pay for the week.		
		<b>Answer: €</b>	Workings:	
	(b)	State whether she is paid on a ‘time rate’ or ‘piece rate’. Explain your answer.		
		Answer:		
		Explanation:		

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

<b>B.</b>	(ii) Name <b>two</b> rights and <b>two</b> responsibilities Siobhán has as an employee of Pricerite Computers Ltd.	For Office Use Only	
	<b>Rights:</b>		
	1.		
	2.		
	<b>Responsibilities:</b>		
	1.		
	2.		
	(iii) Name <b>two</b> rights and <b>two</b> responsibilities Pricerite Computers Ltd have as Siobhán’s employer.		
	<b>Rights:</b>		
	1.		
	2.		
	<b>Responsibilities:</b>		
	1.		
	2.		

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