



**People in Business**  
**Business Past Exam Questions**  
**Higher Level**

2013

Section 3 - Question 5

Question 5

Audrey Stapleton is an employee at BAT Resources Ltd and earns a gross annual salary of €78,000. Her employer provides her with a holiday voucher worth €2,000. This is treated as a benefit-in-kind for tax purposes and is taxed accordingly.

The standard rate band for a single taxpayer is €32,800. (This means that the first €32,800 is taxed at the 20% standard tax rate, and the remainder is taxed at the higher tax rate of 41%.)

Audrey has the following tax credits: Single Person Tax Credit €1,650, PAYE Tax Credit €1,650 and Rent Tax Credit €320.


The Universal Social Charge (USC) rates on Audrey's gross income are 2% on the first €10,036, 4% on the next €5,980 and 7% on the balance of her gross income. Audrey pays employee PRSI at 4% of her gross income.

- (A) Calculate Audrey Stapleton's net **monthly** take-home pay. (20 marks)
- (B) Explain the different types of financial **and** non-financial rewards for employees in a business. (20 marks)
- (C) (i) Outline **two** reasons why a household should prepare a cash flow forecast. (20 marks)  
(ii) Illustrate how a household can overcome cash flow problems. (20 marks)  
**(60 marks)**

Section 3 - Question 6

Question 6

Read the information supplied and answer the questions which follow.

 Google's '20 Percent Time' strategy gives engineers time and space to work on their own projects.

- (A) Outline the internal **and** external sources of new product ideas for technology companies like Google. (20 marks)
- (B) '*For a business to survive it needs to grow and expand.*' Evaluate **two** methods of business expansion. (20 marks)
- (C) Discuss the short-term and long-term implications of business expansion using the following headings:  
**Organisation Structure; Product mix; Profitability; Employment.** (20 marks)  
**(60 marks)**

## 2012

### Section 3 - Question 5

5. Outline **two** features of a matrix organisation structure:

(i) \_\_\_\_\_

\_\_\_\_\_

(ii) \_\_\_\_\_

\_\_\_\_\_

### Section 3 - Question 1

(A) Outline the procedures an employer should follow under the Unfair Dismissals Acts of 1977-2007, before dismissing an employee. (20 marks)

(B) A legal contract can be terminated by breach, frustration or agreement. Illustrate your understanding of the underlined terms. (20 marks)

*The Consumer Protection Act 2007 came into effect in Ireland on 1<sup>st</sup> May, 2007. The Act provided for the establishment of the National Consumer Agency, which replaced the Office of the Director of Consumer Affairs.*

(C) Evaluate the role and functions of the National Consumer Agency (NCA) in protecting consumers. (20 marks)

2011

Section 3 - Question 1 A

*Business is primarily concerned with people and their interactions.*

- (A) Outline, using examples, the relationship that can exist between 'Investors' and 'Entrepreneurs' in business.

(15 marks)

## 2010

### Section 3 - Question 1 A

(B) From the figures given below for 2009 calculate the following for CES Ltd.:

- |  |  |
|--|--|
| <p>(i) Net profit margin;</p> <p>(ii) Current ratio;</p> | <p>(iii) Acid Test ratio;</p> <p>(iv) Debt Equity ratio.</p> |
|--|--|

Information for 2009	
Sales	€135,000
Net profit	€33,750
Current Assets (including closing stock)	€84,500
Current Liabilities	€65,000
Closing Stock	€39,000
Ordinary Share Capital	€300,000
Long Term Debt	€192,000
Retained Earnings	€20,000

RESULTS 2008	
Net profit margin	32%
Current ratio	2:1
Acid test ratio	1.1:1
Debt Equity Ratio	0.4:1

(20 marks)

(C) Analyse the significance of the trends over the two years (2008/2009) for the following stakeholders:

- (i) Investors/shareholders;
- (ii) Suppliers;
- (iii) Employees.

NOTE: Results for 2008 are already calculated above.

(20 marks)

**2009**

**Section 3 - Question 1 A**

- (A) Outline, using an example, the role of interest groups in the business world. (10 marks)

2007

Section 1 - Question 8

8. Identify **two** parties in business and describe a competitive relationship between them:

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**2006**

**Section 3 - Question 1 A**

- (A) 'The relationship between an enterprise and its stakeholders may be competitive or co-operative.' Discuss this statement, with appropriate examples. (15 marks)