



Business: Sole Trader, etc
Business Past Exam Questions
Higher Level

2013

Section 1 - Question 1

1. Outline **two** characteristics of a private limited company:

- (i) _____

- (ii) _____

Section 1 - Question 4

4. Write *True* or *False* after each of these statements.

	Sentence	True or False
1.	Batch Production is used when making a single, one off, unique product.	
2.	In a Hire Purchase agreement legal ownership of the good transfers to the buyer when the first installment is made.	
3.	A Cash Flow deficit can be addressed by negotiating a shorter period of credit with debtors.	
4.	A sole trader is an ownership structure that benefits from limited liability.	
5.	When a company's equity capital is greater than its debt capital it has low gearing.	

Section 1 - Question 4

Choosing the most appropriate type of business structure is very important when setting up a business.

Question 2

- (A) Discuss the opportunities **and** challenges of *Partnership* as a form of business ownership. (20 marks)
- (B) Outline the role of the Irish Government in encouraging **and** in regulating business in Ireland. (20 marks)
- (C) Discuss current trends affecting businesses in the services sector of the Irish economy. Provide examples to support your answer. (20 marks)

(60 marks)

2012

Section 3 - Question 2 A

“Choosing an appropriate business structure is a key element of a business plan.”

- (A) Discuss *Co-operatives* **and** *Private Limited Companies* as forms of business ownership, using the following headings:
Formation; Liability; Finance; Control (25 marks)

2011

Section 3 - Question 2 B

(B) Describe the steps involved in the formation of a '*Private Limited Company*'.

(20 marks)

2010

Section 3 - Question 2 B

- (B) Outline the reasons why a business may change its organisational structure from a 'Sole Trader' to a 'Private Limited Company'. (20 marks)

Section 3 - Question 6

Read the information supplied below and answer the questions which follow.

Marie Nolan is the owner of 'Marie's Pizzas' a successful pizza restaurant with a home-delivery service. Demand for take-aways has increased, as more people are eating at home due to the economic downturn. Marie is planning to expand her business through franchising and her accountant recommends that a business plan should be prepared before going ahead.

- (A) Evaluate franchising (benefits and risks) as a method of expansion for the Pizza business. (20 marks)
- (B) Outline **two** benefits to 'Marie's Pizzas' of preparing a business plan. (10 marks)
- (C) (i) Discuss the factors that should be considered when choosing between different sources of finance.
(ii) Analyse **two** appropriate sources of finance for acquiring an additional delivery van at 'Marie's Pizzas'. (30 marks)

2009

Section 3 - Question 2 A

- (A) Evaluate 'franchising' as a form of business ownership for a new enterprise. (20 marks)

Section 3 - Question 5 A

- (A) (i) Explain the term 'business alliance'.
(ii) Illustrate the advantages of an alliance as a form of business expansion. (20 marks)