2026.M57 2026L033A2EL

Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination 2026

Business – Higher Level

Sections 2 and 3

Thursday 11 June Morning 9:30 - 12:30

Candidates are required to answer:

The Applied Business Question in Section 2 AND

Four questions from **Section 3** as follows:

- **One** question from **Part 1**
- **One** question from **Part 2**
- And any other **Two** questions

All questions in Section 3 carry equal marks.

Do not hand this up.

This document will not be returned to the State Examinations Commission.

Section 2 Applied Business Question 80 marks

This is a compulsory 80 mark question based on Units 3, 4 and 5.

Write your answers in the answerbook containing **Section 1**

COFFEE & CHILL Ltd.

Martina owns and runs a successful delicatessen café and a mobile coffee van. Her brand is Coffee & Chill. She has part time and full time staff. Martina pays above minimum wage to her staff and time and half on each extra hour worked per week. She gives all staff an additional payment at the end of the year which is appreciated. The college student in the coffee van gets a daily fee for their coffee van work plus extra if revenue is particularly high. Working in a delicatessen has its advantages. Staff can eat for free and Martina gives staff any products near expiration date to take home or donate to a food bank.

Martina used various pricing strategies. Her head chef arranged to calculate the cost of production on each product before deciding a price. Martina charged low prices for all products and then increased her prices as time went by, with the exception of their homemade branded products of jams, granola and honey which were always expensive to purchase. She was advised, that when customers buy a wide variety of multiple products she should charge discounted prices. These days, as Coffee & Chill's reputation of quality is very high, Martina's products are expensive. She believes in relationships within the community and offers pensioners reduced rates. As a promotional strategy she gives regular customers branded t-shirts with funny coffee puns.

When sourcing the t-shirts, Martina had a 30 day trade credit with her clothing supplier. Recently she has been unable to give away some of the t-shirts due to poor finishing. Consumer tastes for clothing products are also constantly changing and Coffee & Chill Ltd have found themselves with surplus batches of t-shirts with unpopular coffee puns. Coffee & Chill Ltd are paying large amounts of interest on the credit. Martina's accountant has contacted her to say they need to have a meeting to discuss the budget.

(A) Explain how Martina rewards her employees. Refer to the text in your answer. (20)

(B) **(i)** Explain price discrimination. Refer to the text in your answer.

(ii) Describe the other pricing strategies used by Martina. Refer to the text in your answer. (30)

(C) **(i)** Evaluate the management control techniques used by Martina in Coffee & Chill Ltd. Refer to the text in your answer.

(ii) Recommend and explain an alternative sales promotion technique Martina can use instead of giving away free t-shirts. (30)

Section 3 240 marks

Write your answers in the answerbook containing **Section 1**

Answer **Four** questions from **Section 3** as follows:

One question from **Part 1**

One question from **Part 2**

and any other **Two** questions

All questions carry 60 marks.

Part 1
People in Business / Business Environment

Question 1 **People in Business**

(A) **(i)** Explain **three** elements of a legally binding contract, apart from 'offer and acceptance'. Use an example in each case.

(ii) Illustrate the difference between **condition** and **warranty** in relation to a contract. (20)

(B) Describe one example of a co-operative relationship **and** one example of a competitive relationship that could arise between the following stakeholders:

- Business and a competitor
- Government and a business (20)

Read the information supplied and answer the question which follows.

Brian O'Driscoll served with notice over 'misleading commercial practice' on social media posts.

This is the first time the CCPC have taken action against social media influencers, with O'Driscoll investigated over his Instagram social media account.

Irish Mirror

(C) Evaluate the powers of the **Competition and Consumer Protection Commission** in relation to breaches of Consumer Law. (20)

Question 2	**Domestic Environment**

(A) Describe the characteristics of an environmentally responsible business. (20)

(B) Analyse how economic variables (factors) in the Irish economy have an impact on business. (20)

Read the information supplied and answer the questions which follow.

PADDY BOX

The Paddy Box aims to connect those around the world to Ireland by allowing customers to create and ship a box of 'Irishness' around the globe.

paddybox.com

(C) **(i)** Explain using an example other than the Paddy Box, the term **Indigenous firm**.

(ii) Outline the challenges facing Indigenous firms. (20)

Question 3	**International Environment**

Read the information supplied and answer the questions which follow.

INTERNATIONAL TRADE

Net Exports grew by 25.8% (€11.9bn) in Q4 2024

CSO.ie

(A) The key objective of the World Trade Organisation (WTO) is to promote free trade.

(i) Explain the term **free trade**.

(ii) Outline benefits of international trade for the Irish economy. (20)

(B) **(i)** Illustrate what is meant by the term **invisible export**, with reference to the Irish economy.

(ii) Explain the impact ICT has had on Irish businesses engaged in international trade. (20)

Read the information supplied and answer the question which follows.

Ireland should remain in the EU

Irish Examiner

(C) Do you agree with this statement?
Justify reasons for your answer, from the point of view of business owners. (20)

Question 4 — **People in Business**

(A) **(i)** Define discrimination as set out in the Employment Equality Act 1998/2015.

(ii) Distinguish between **constructive dismissal** and **unfair dismissal**.

(20)

(B) Positive industrial relations are important to business success.

(i) Discuss the ways a business can promote and maintain good industrial relations.

(ii) Outline the possible impact of strike action on each of the following:

- Customers
- Investors

(20)

Read the information supplied and answer the question which follows.

WRC
An Coimisiún um Chaidreamh san Áit Oibre
Workplace Relations Commission

The Workplace Relations Commission (WRC) is an independent body which was established on 1st October 2015 under the **Workplace Relations Act 2015.**

workplacerelations.ie

(C) Evaluate the role of the Workplace Relations Commission in dealing with industrial disputes.

(20)

Part 2
Enterprise

Question 5	**Enterprise/Managing**

Read the information supplied and answer the questions which follow.

14%	2.5b	$33t
Of the world's adult population are entrepreneurs	People employed by entrepreneurial ventures and businesses	Revenue generated by 305 million entrepreneurial businesses worldwide

2020 Global Entrepreneurship Monitor Report

(A) **(i)** Illustrate your understanding of the term **Enterprise.**

(ii) Explain the benefits of enterprise to your local economy. (20)

(B) Good communication is important because it helps people work well together, keeps employees involved, and helps a business succeed.

Discuss the barriers to effective communication faced by a business. (20)

(C) Evaluate factors that influence the leadership style adopted by business managers. Provide examples to support your answer. (20)

Question 6	Managing

Read the information supplied and answer the questions which follow.

BALLYFIN

Ballyfin Demesne Ltd is a 5-star luxury country house hotel in Co. Laois.
This award-winning hotel offers the very best of Irish hospitality in the most beautiful surroundings imaginable. They have embarked on a major sustainability enhancement journey. They own a fleet of electric vehicles to maintain the grounds. Ballyfin has a well-stocked cellar with wine from all over the world. To maintain its award-winning reputation, management conducts periodic one-to-one meetings with team members.

ballyfin.com

(A) Discuss the importance of **three** Human Resource Management functions for a business such as Ballyfin Demesne Ltd, apart from pay and rewards. (20)

(B) Illustrate the **types of taxation** that Ballyfin Demesne Ltd should be aware of. (20)

Enterprise Ireland: In a world of change, reinvention gives you the edge

Irish Independent

(C) Discuss the strategies used to manage change in a business. (20)

Question 7	Managing / Business in Action

Read the information supplied and answer the questions which follow.

Coca-Cola has a range of popular products, including Coca-Cola Original, Diet Coke, Coca-Cola Zero Sugar and Sprite, which are widely recognised and enjoyed by consumers around the world.

(A) Draw the Product Life Cycle diagram for a product of your choice **and** describe the action a business may take at each stage.

(20)

(B)

Businesses use ratio analysis to observe trends in their financial accounts. These trends are used to aid future decision making.

Swift Ltd is a company in the tech industry. They provided the following financial information for 2025:

Sales	€ 450,000	Long term loan	€ 250,000
Net Profit	€ 33,750	Ordinary share capital	€ 350,000
Current assets (including closing stock € 90,000)	€ 174,375	Retained earnings	€ 75,000
Current liabilities	€ 93,750		

Calculate the following for Swift Ltd.

(i) Net profit margin
(ii) Current ratio
(iii) Acid test ratio
(iv) Return on investment

(20)

(C)

Industry average results for 2025:	
Net profit margin	7.5%
Current ratio	2.1 : 1
Acid test ratio	1.2 : 1
Return on investment	8%

Analyse the profitability **and** liquidity of Swift Ltd for 2025, with reference to the industry average results shown. Make recommendations for Swift Ltd.

(20)

Question 8	**Business in Action**

Read the information supplied and answer the questions which follow.

Inspired by their heritage, the Adidas brand is rooted in sports and the culture born from it. Adidas is a global leader in the sporting goods industry.

adidas-group.com

(A) Illustrate, with reference to Adidas, the benefits of branding for the consumer. (20)

(B) **(i)** Explain the term **Channel of Distribution**.

(ii) Evaluate the benefits **and** challenges for Adidas of choosing a direct channel of distribution rather than selling through wholesalers and retailers. (20)

(C) Discuss the short-term **and** the long-term implications of expansion for a business. (20)

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