



Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination 2026

Business

Section 2 Ordinary Level

Thursday 11 June Morning 9.30 – 12.00

Candidates are required to answer:

Four questions from **Section 2** as follows:

One question from **Part 1**

One question from **Part 2**

and any other **two** questions.

All questions in Section 2 carry equal marks.

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Section 2**300 marks**

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

Answer four questions from SECTION 2 as follows:

One question from **Part 1**,

One question from **Part 2**,

and any other **two** questions.

All questions carry equal marks (75 marks).

Part 1**Question 1****People in Business**

Read the information supplied and answer the questions which follow.



Michael purchased a reclining leather armchair online for €720. After only 3 months the leather began peeling and discolouring. Recognising that the chair was not of merchantable quality or fit for purpose, he contacted the retailer. They refused to help, insisting he must contact the manufacturer for a remedy.

- (A) Is the retailer responsible for providing a remedy to Michael's problem?
Explain your answer. (15)
- (B) Explain the terms **merchantable quality** and **fit for purpose**. (15)
- (C) (i) Name a consumer agency that could assist Michael.
(ii) Outline **one** function of the consumer agency you named. (15)
- (D) Outline **two** forms of remedy/redress that Michael is entitled to. (15)
- (E) Explain **two** benefits to Michael of taking his case to the Small Claims Court/Procedure if his complaint is unresolved. (15)

Read the information supplied and answer the questions which follow.

Average farm income in Ireland hit a record €48,500 in 2025



According to Teagasc economists, this is a 39% increase from last year. The rise was mainly due to a strong performance in the livestock sector, especially dairy and beef.

Adapted from teagasc.ie

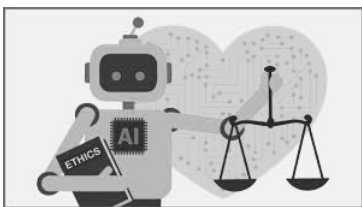
- (A) (i) Name the sector of the economy in which farmers operate.
- (ii) Explain **one** reason why this sector is important to the Irish economy. (15)
- (B) Land is one of the factors of production.
- Name the other **three** factors of production and explain **one** of them. (15)

Ireland's hospitality VAT cut to 9% from 13.5%

Adapted from irishtimes.com



- (C) Outline **one** impact the lower VAT rate could have on each of the following:
- (i) Tourism and hospitality in Ireland.
- (ii) The Irish government. (15)



Unethical use of AI is among top concerns for businesses

Adapted from rte.ie

- (D) Explain how a business can behave ethically towards its employees. (15)
- (E) Outline **two** consequences for a business of behaving unethically. (15)

Question 3

Domestic/International Environment

Read the information supplied and answer the questions which follow.

A sample of Government Expenditure 2026				
Social Protection	Health	Housing	Education	Transport
				
€29 billion	€27 billion	€11 billion	€13 billion	€5 billion

Adapted from wheremoneygoes.gov.ie

- (A) Draw a Bar Chart **or** Line Graph to represent the above information. (15)
- (B) (i) Explain the difference between **capital expenditure** and **current expenditure**.
(ii) Identify **one** example of capital and **one** example of current expenditure for the health sector. (15)



In early 2025, there has been **137 investments** by global companies into Ireland.
A 37% increase from the same time last year.

Adapted from idaireland.com

- (C) (i) List **two** examples of global companies.
(ii) Outline **two** reasons why a global company might set up in Ireland. (15)
- (D) Explain **two** benefits to Ireland of FDI (Foreign Direct Investment). (15)

The United States (US) have imposed a 15% tariff on most

European Union (EU) exports

Adapted from irishtimes.com

- (E) (i) Tariffs are a barrier to international trade. Name and explain **one** other barrier.
(ii) Explain **one** effect this 15% tariff will have on Irish trade with the US. (15)

Read the information supplied and answer the questions which follow.



There will be strict work-to-rule in place for all Fórsa members in the HSE

Adapted from forsa.ie

- (A) (i) Apart from Fórsa, name **one** other trade union in Ireland.
- (ii) Explain the term **work-to-rule**. (15)
- (B) Outline **two** causes of industrial disputes between employees and employers. (15)



John is selling his car and decides to post an advert online. Shane sees the advert and expresses an interest in viewing the car. However, Shane fails to show up for the viewing. John then calls Shane, asking for payment, as he believes they had an agreement.

- (C) (i) Do John and Shane have a valid contract? Explain your answer.
- (ii) List **two** elements of a valid contract. (15)
- (D) Frustration is one of the ways a legal contract may be terminated. Explain, using an example the term **Frustration**. (15)



Workplace Relations Commission (WRC) supports employer's decision to dismiss an employee

Adapted from irishtimes.com

- (E) (i) State **two** reasons for fair dismissal.
- (ii) Outline **one** form of redress for employees who are unfairly dismissed. (15)

Part 2

Question 5

Enterprise/Managing

Read the information supplied and answer the questions which follow.

Ronan Perceval created a solution that transformed a local problem into an international business opportunity



Noticing the challenges salon owners faced with bookings, client management, and marketing, Ronan founded Phorest, a software platform tailored to the salon and spa industry. Today, Phorest serves over 5,600 salons across six countries and is the market leader in the UK and Ireland.

Adapted from rte.ie

- (A) List **five** skills/characteristics that entrepreneurs like Ronan display. (15)
- (B) Ronan turned a problem into a successful business.
Outline **two** other sources of new business ideas for entrepreneurs. (15)
- (C) Explain **two** rewards for Ronan of setting up his own business. (15)
- (D) Leadership styles include Autocratic, Democratic and Laissez-faire.
Describe **two** features of any **one** leadership style. (15)
- (E) Outline **two** benefits of Information and Communication Technology (ICT) for businesses. (15)

Read the information supplied and answer the questions which follow.



Style & Go – Bringing the Salon to You

After working as a trained hair stylist for ten years, Alice noticed that traditional salon visits were challenging for many people. She set up a **sole-trader** business in January, called *Style & Go*. A mobile hairdressing service that brings professional haircuts to clients' homes and appeals to a new **target market**.

- (A) (i) Explain the term **Target Market**.
(ii) Name a target market for Style & Go. (15)
- (B) (i) Explain the term **Sole Trader** as a form of business ownership.
(ii) Outline **two** benefits of operating as a sole trader for Alice. (15)
- (C) Name and explain **two** types of Insurance that Style & Go should have. (15)

Cashflow forecast of Style & Go for the first 3 months of 2026				
2026	January	February	March	Total
Total Receipts (A)	10,000	12,000	14,000	36,000
Total Payments (B)	14,000	10,000	8,000	32,000
Net Cash A-B	(4,000)	2,000	6,000	4,000
Opening Cash	0	(4,000)	(2,000)	0
Closing Cash	(4,000)	(2,000)	4,000	4,000

- (D) (i) Based on Style & Go's cashflow forecast, are they in a better financial position in January or March?
(ii) Outline **two** possible reasons for your answer. (15)
- (E) Outline **two** benefits to Alice of preparing a Cashflow forecast for Style & Go. (15)

Read the information supplied and answer the questions which follow.

Email

To: All Staff
From: Management
CC: Human Resource Department
Date: 13/04/26
Re: Internal Management Recruitment

We are recruiting for a Sales Floor Supervisor to lead our team. The position has a basic wage of €645 per week plus an 8% commission on sales achieved. For further information, please contact the Human Resource (HR) Department. Best of luck to all candidates.

Signed: *John Murphy*
 Director

- (A) The HR Manager must prepare a **job description** and **person specification** for the above position.
- (i) List **two** items on a job description
 - (ii) List **two** items on a person specification. (15)
- (B) Outline **two** benefits for the business of internal recruitment. (15)
- (C) Using the information above, calculate the **Gross Pay** (including commission) if sales were achieved to the value of €10,000. Show your workings. (15)

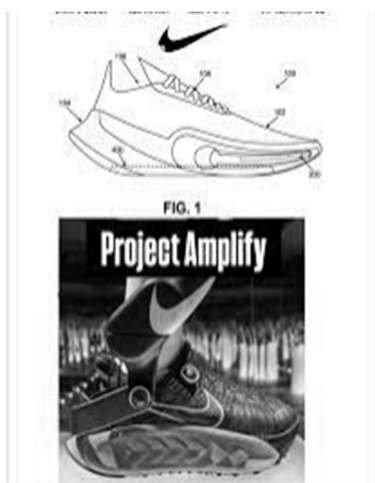


Coca-Cola is the best-selling brand in Ireland for 21 successive years. They also announced a three-year sponsorship with the Premier League that began with the 2025/26 season.

Adapted from businessplus.ie

- (D) Explain **two** advantages of branding for Coca-Cola. (15)
- (E) Coca-Cola use sponsorship as a method of Public Relations. Outline **two** other methods Coca-Cola could use. (15)

Read the information supplied and answer the questions which follow.



Nike is unveiling Project Amplify: The world's first powered footwear

A motorised shoe designed to help casual athletes and people with limited mobility move faster and more easily. The battery powered design is still in early testing and is expected to launch in the coming years.

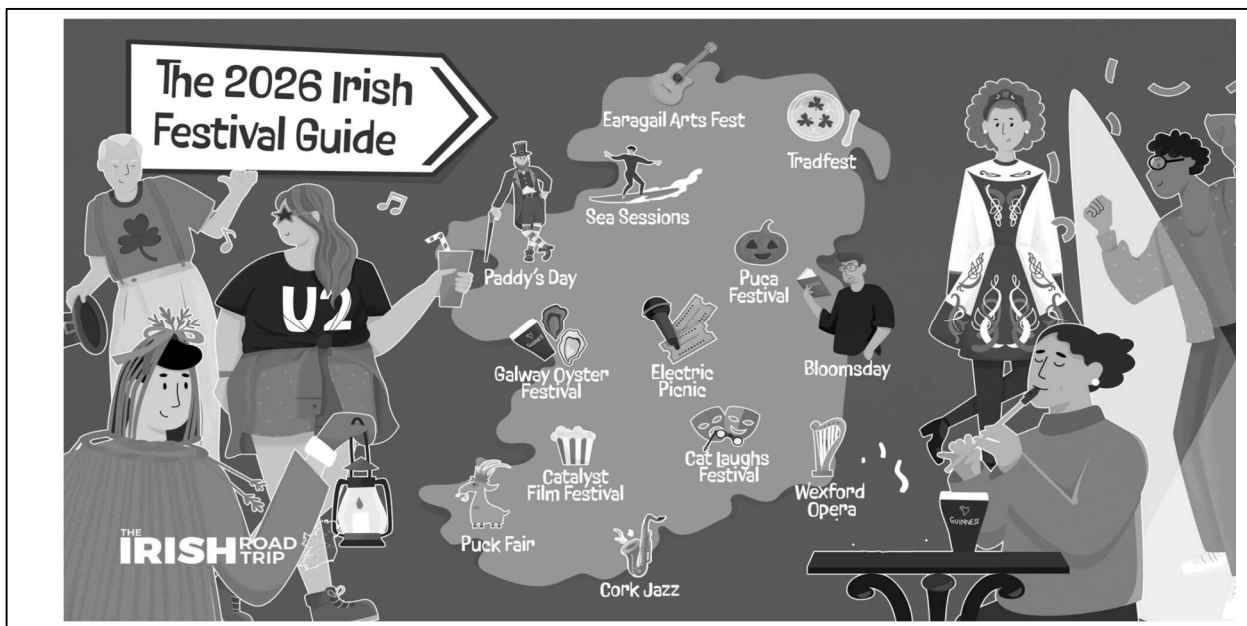
Adapted from rte.ie

- (A) Explain **two** benefits to Nike of carrying out market research before launching their new product. (15)
- (B) Explain **two** of the following stages of the new product development process for Nike.
- (i) Feasibility Study
 - (ii) Prototype Development
 - (iii) Test Marketing. (15)
- (C) List **three** factors Nike should consider before setting the price of their new footwear. (15)
- (D) Job, Batch and Mass are production methods Nike could use when making the motorised shoe.
- What method of production would you recommend? Give **one** reason for your answer. (15)
- (E) Outline **two** reasons why quality control is important when making this motorised shoe. (15)

Question 9

Business in Action / Domestic Environment

Read the information supplied and answer the questions which follow.



- (A) Outline **two** ways how festivals like the Tradfest and Sea Sessions benefit community development in Ireland. (15)
- (B) Outline **two** services that government agencies such as the Local Enterprise Office could provide to these festivals. (15)

	Sports Direct opened its first store in 1982. Sports Direct officially acquired full control of the Irish retailer Heaton's in 2016. There are currently 44 stores in the Republic of Ireland plus its online shop. <i>Adapted from sportsdirect.ie</i>
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- (C) Explain **two** reasons why a business may choose to expand. (15)
- (D) Draw **two** channels of distribution that Sports Direct could use to distribute their products. (15)
- (E) Outline **two** sources of long-term finance that Sports Direct may have used to fund their expansion. (15)

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