Business Studies

Common Level

Strand 1: Personal Finance Revision Pack

Instructions

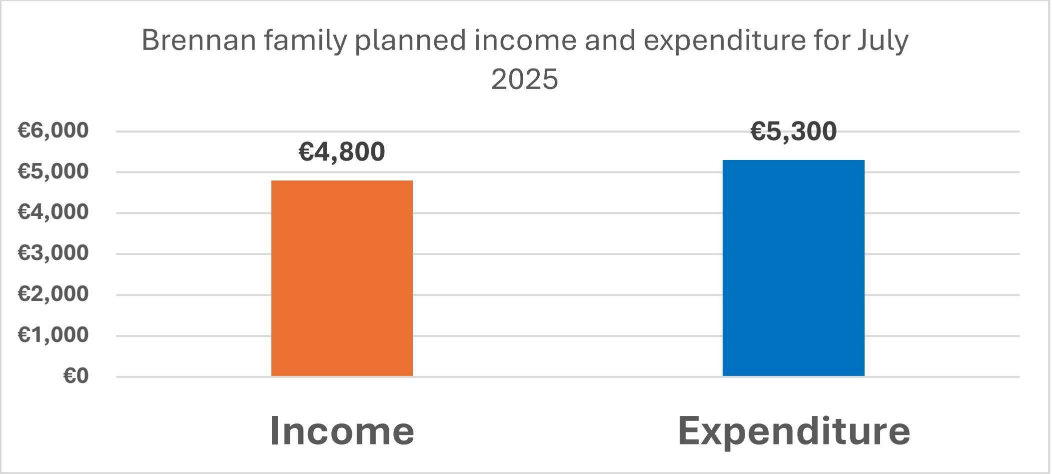
There are two sections in this revision pack

Section A	90 marks	15 Questions
Section B	180 marks	3 Questions

Answer all questions.
Write your answers in blue or black pen. You may use pencil for graphs and diagrams only.
Write your answers in the spaces provided in this booklet.
Additional writing space is provided at the end of the paper. Label any extra work clearly with the question number and part.
Calculators may be used.

Question 1

The bar chart below shows the Brennan family's planned income and expenditure for July 2025.



(i) Calculate the difference between the Brennan family's planned income and expenditure. State whether it is a surplus or a deficit.

Answer €	Workings:

(ii) What advice would you give the Brennan family based on your answer?

Question 2

Indicate with a tick (✓) in the table below which sources of income are regular and which are irregular.

	Regular	Irregular
Salary		
Overtime		
Child Benefit		
Commission		
Pension		
Rental Income		

Question 3

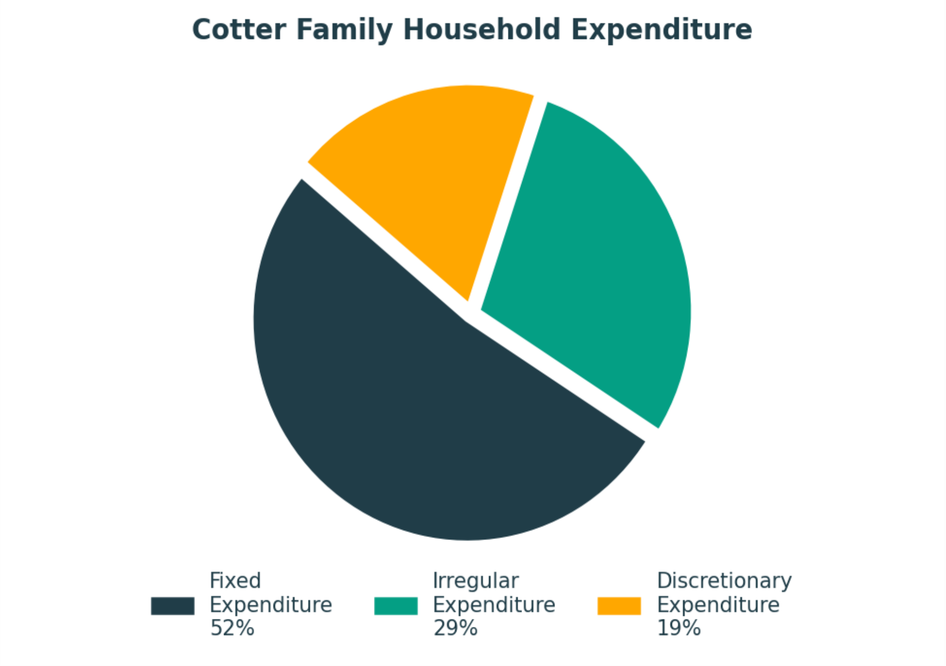
Rían Walsh-O'Brien works as a delivery driver. He earns €18 per hour and receives time and a half for any hours worked at the weekend.

Calculate Rían's Gross Pay this week if he worked 40 hours during the week and 6 hours at the weekend.

Gross Pay: €	Workings:

Question 4

The pie chart below shows the Cotter family household expenditure.



(i) Which type of expenditure had the highest percentage in the Cotter household?

(ii) Give one example of each type of expenditure below.

Type of Expenditure	One Example
Fixed expenditure	
Irregular expenditure	
Discretionary expenditure	

Question 5

Lara has €120 to spend. She wants to attend a music festival and buy new runners, but she does not have enough money for both. She decides to buy the runners.

Identify the financial cost and the opportunity cost of Lara's choice.

Financial Cost:	
Opportunity Cost:	

Question 6

Suggest a suitable source of finance to make each of the following consumer purchases.

Purchase	Source of Finance
House	
New car	
Weekly grocery shopping	

Question 7

The table below shows the Kowalski family bank account for June 2025.

(i) Some transactions are missing. Complete the three shaded rows by filling in the correct running balance after each entry.

Date 2025	Details	Money In €	Money Out €	Balance €	Dr/Cr
1 Jun	Balance b/d			620.00	Cr
4 Jun	Wages	3,100.00		3,720.00	Cr
7 Jun	Rent DD		1,200.00		
11 Jun	Groceries		280.00	2,240.00	Cr
14 Jun	Child Benefit	(i)		2,380.00	Cr
20 Jun	Car Insurance SO		110.00	(ii)	Cr
25 Jun	ESB		95.00	(iii)	Cr
30 Jun	Balance C/D			2,175.00	Cr

(ii) Is this account in overdraft at the end of June? Indicate by placing a tick (✓) in the correct box.

Yes		**No**	

(iii) Give a reason for your answer.

Question 8

The following items are typical areas of expenditure for an Irish household.
Tick (✓) the correct box to show whether each of the following is a need or a want for a household.

	Need	Want
Mortgage repayments		
New fitted kitchen		
Streaming subscription		
Electricity and heating		
Designer clothing		

Question 9

Tick (✓) the correct box to show whether each of the following is a monetary reward or a benefit in kind for employees.

	Monetary Reward	Benefit in Kind
Annual salary		
Company car		
Annual bonus		
Subsidised canteen meals		
Health insurance paid by employer		

Question 10

Look at the following advertisement from a home insurance provider.

Secure Home Insurance Ltd Home Buildings Insurance: €2.50 per €1,000 of property value No Claims Bonus: 12% discount on annual premium

Luke and Sinéad Okafor would like to insure their home, which has a property value of €240,000. They made no insurance claim in the previous year.

(i) Using the above information, calculate the cost of the annual home insurance premium for the Okafor home before the no claims bonus is applied.

Annual Premium: €	Workings:

(ii) Calculate how much the Okafors could save by applying their no claims bonus.

Saving: €	Workings:

Question 11

The sources of income listed below are typical of different stages of the personal financial life cycle.

Match each source of income to the most likely stage of the Personal Financial Lifecycle by matching the correct to the numbers given.

Source of Income	Stage
A Pocket money from parents	1. Dependent
B State pension	2. Independent
C Wages from a first job	3. Development
D Child Benefit received by parents	4. Pre-Retirement
E Salary plus annual bonus	5. Retirement

A	B	C	D	E

Question 12

Layla recently ordered a new pair of headphones online from an Irish retailer. When they arrived, they were damaged.

(i) Name the law that protects Layla as a consumer in this situation.

(ii) Outline one right Layla has as a consumer in this situation.

Question 13

Read the following consumer complaints.

	Complaint
A	My bank has been charging me incorrect fees on my current account.
B	I bought a laptop advertised as having 16GB of memory but it only has 8GB.
C	My electricity provider has not responded to my complaint about a billing error.

Match each complaint above with the organisation the consumer should contact by placing A, B or C in the correct box below.

Financial Services and Pensions Ombudsman	Competition and Consumer Protection Commission (CCPC)	Commission for Regulation of Utilities (CRU)

Question 14

Aoife has €8,000 in a deposit account. She has earned €160 interest on her savings this year. This interest is liable for DIRT at a rate of 33%.

(i) DIRT stands for:

Deposit	I ______________	R ______________	T ______________

(ii) Calculate how much DIRT Aoife will pay to the Government on her interest.

Answer €	Workings:

Question 15

'Spending online overtook in-store shopping in Ireland for the first time in 2023.' Adapted from The Irish Times, 2024

(i) State two benefits for consumers of shopping online.

1.
2.

(ii) Outline one risk for a consumer when shopping online.

Section B 180 marks

Question 16

Cian and Niamh Murphy live in Athlone, Co. Westmeath with their two children. Cian works as an electrician and Niamh is a secondary school teacher. Niamh has just returned to work after maternity leave.

(a) Niamh receives her first payslip since returning to work.

The following information relates to Niamh's pay for Week 22:

Basic working week:	35 hours	Hours worked:	40 hours
Hourly rate of pay:	€22	Overtime rate:	Time and a half (€33 per hour)
PAYE:	20%	Weekly Tax Credit:	€48
PRSI:	4%	USC:	2%

(i) Using the above information complete Niamh's wage slip below. *(12m)*

Name	Niamh Murphy	**Week No**	22
PPSN	4471829KA	**Date**	30 May 2025
Basic	€	PAYE	€
Overtime	€	PRSI	€
		USC	€
Gross Pay	€	**Total Deductions**	€
		Net Pay	€

Basic and Overtime	PAYE and Tax Credit	PRSI	USC

(ii) Recommend two different types of Financial Institution where Niamh could save her money. Give a different reason for each recommendation. *(8m)*

Financial Institution 1:
Reason:

Financial Institution 2:
Reason:

(b) The Murphy family are planning their household budget for January to April 2026.

(i) Outline two reasons why the Murphy family should prepare a household budget. *(6m)*

1.
2.

(ii) Complete the Murphy Family Budget below. *(16m)*

Workings, if required, can be written in the space provided below the table.

	January €	February €	March €	April €	Total €
Planned Income (A)	4,800	4,800	5,100	4,800	
Planned Expenditure (B)	3,650	4,200	3,950	5,100	
Net Cash (A minus B)					
Opening Cash	400				
Closing Cash					

Workings:

(iii) Based on the budget above, what was the Net Cash for the Murphy family in February? *(1m)*

Net Cash in February: €	

(iv) The Murphy family are considering buying a new electric vehicle (EV). They would take out a car loan costing €320 per month. If this loan repayment was added to their planned expenditure in March, what would the new Net Cash for March be? *(2m)*

New Net Cash in March: €	Workings:

(v) Based on the Murphy family budget above, do you recommend that they buy the new electric vehicle? Indicate by placing a tick (✓) in the correct box. Give a reason for your answer. *(3m)*

Yes		No		

Reason:

(c) The table below shows the Murphy family bank account for July 2025.

Date 2025	Details	Money In €	Money Out €	Balance €	Dr/Cr
1 Jul	Balance b/d			200.00	Cr
1 Jul	Mortgage DD		1,100.00	(900.00)	Dr
3 Jul	Grocery shopping		180.00	(1,080.00)	Dr
5 Jul	Overdraft interest		18.50	(1,098.50)	Dr
8 Jul	Sky TV DD		34.00	(1,132.50)	Dr
15 Jul	Wages Cian	2,800.00		1,667.50	Cr
15 Jul	Savings a/c SO		200.00	1,467.50	Cr
18 Jul	Flights Ryanair		490.00	977.50	Cr
20 Jul	Hotel booking		320.00	657.50	Cr
22 Jul	Grocery shopping		165.00	492.50	Cr
25 Jul	Child Benefit	140.00		632.50	Cr
28 Jul	Entertainment		210.00	422.50	Cr
31 Jul	Balance c/d			422.50	Cr

(i) Based on the bank account above, is the Murphy family account in credit or overdrawn at the end of July? Give a reason for your answer. *(3m)*

(ii) Identify one example of good financial practice shown in the Murphy family bank account. Give a reason for your answer. *(3m)*

Good Practice:
Reason:

(iii) Identify one example of bad financial practice shown in the Murphy family bank account. Give a reason for your answer. *(3m)*

Bad Practice:
Reason:

(iv) Recommend one action the Murphy family could take to improve their financial position. Give a reason for your answer. *(3m)*

Recommendation:
Reason:

Question 17

Priya and Declan Singh live in Drogheda, Co. Louth with their teenage son, Rián. Priya works as a pharmacist and Declan works as a secondary school vice principal. They are planning a home renovation and need to review their household finances.

(a) The Singh family are considering a €12,000 loan to fund their home renovation. They receive two repayment options:

Option A	Option B
12 monthly repayments of €1,080	52 weekly repayments of €255

(i) Calculate the total amount repayable under each option. *(4m)*

Option A Total: €	Option B Total: €

Workings:

(ii) State which option costs less and calculate the difference between the two options. *(2m)*

Option that costs less:	Difference: €

(iii) Recommend which option the Singh family should choose. Give a reason for your answer. *(3m)*

Recommendation:
Reason:

(b) When interest rates rise, it can affect household savings and borrowing.

(i) Describe one impact that higher interest rates could have on each of the following for the Singh family. *(6m)*

Savings:

Home renovation loan repayments:

(ii) Outline one reason why low interest rates encourage borrowing. *(2m)*

(c) Gerard Walsh is 62 years old. He has never smoked and has not made a health insurance claim in the past eight years. His family does have a history of some serious illnesses. He is currently reviewing his health insurance policy.

(i) Using the information above about Gerard, give **one factor** that could make his premium **higher** and **one factor** that could make it **lower**. Give a reason for each answer. *(6m)*

Factor that could make the premium higher:
Reason:

Factor that could make the premium lower:
Reason:

(ii) Explain **two** actions Gerard could take to reduce the cost of his health insurance premium. *(6m)*

Action:
Action:

(iii) Read the following descriptions of some of the principles of insurance.

	Description
A	Gerard can take out health insurance because he would suffer financially if he had to pay for private medical treatment himself.
B	If Gerard makes a claim and his insurer pays out, he cannot receive more money than the actual cost of his medical treatment.
C	When applying for health insurance, Gerard must tell the insurance company about any existing medical conditions or lifestyle factors, even if he is not asked directly.

Match each description above with the correct principle of insurance by writing A, B or C in the correct box below. *(6m)*

Utmost Good Faith	Indemnity	Insurable Interest

(d) The Singh family are planning their household budget for January to May 2026.

(i) Complete the Singh Family Budget below. *(15m)*

Workings, if required, may be written in the space provided below the table.

	January €	February €	March €	April €	May €	Total €
Planned Income (A)	4,200	4,200	4,600	4,200	4,200	
Planned Expenditure (B)	4,500	3,800	3,600	4,900	3,400	
Net Cash (A minus B)						
Opening Cash	500					
Closing Cash						

Workings:

(ii) In which month do the Singh family plan to have the highest closing cash balance? *(1m)*

Month:	

(iii) The Singh family had a planned deficit in more than one month. Identify one of those months with a negative net cash figure, and give one reason why a deficit may occur. *(3m)*

Month:	

Reason:

(iv) The Singh family also plan to save €500 per month throughout the five-month period.

Based on the budget above, is it realistic for the family to save €500 per month every month? Indicate by placing a tick (✓) in the correct box. Give a reason for your answer.

Yes		No		

Reason:

(v) Outline one advantage and one disadvantage for the Singh family of saving €500 per month. *(6m)*

Advantage:

Disadvantage:

Question 18

Sinéad and Tomasz O'Brien-Lewandowski live in Galway city with their 17-year-old daughter, Kayla. Sinéad works as a nurse and Tomasz works as a software developer. Kayla is in Transition Year and works part-time in a local café.

(a) The O'Brien-Lewandowski family are at different stages of the personal financial life cycle.

(i) Complete the table below. For each stage listed, identify one financial need and explain why it is a need at that stage. *(12m)*

Stage	One Financial Need	Why it is a need at this stage
Dependent		
Development		
Retirement		

(ii) Sinéad and Tomasz receive income from a number of different sources.

Using the information below, classify each source of income as regular or irregular. *(6m)*

Source of Income	Regular / Irregular
Monthly salary as a nurse	
Annual performance bonus from software company	
Child Benefit for Kayla	

(b) Kayla orders a hoodie online from an Irish website. When it arrives and she tries it on, it doesn't fit nicely. She wants to return it but when she emailed the store they said she couldn't

(i) Name the law that protects Kayla as a consumer in this situation.

(ii) What right does Kayla have as a consumer in this situation? *(6m)*

(iii) Outline one responsibility Kayla has as a consumer when purchasing goods online. *(3m)*

(iv) Name one consumer agency Kayla could contact for further advice about her rights. State one function of this agency. *(3m)*

Agency:

Function:

(c) Sinéad and Tomasz regularly shop online and are aware of their ethical responsibilities as consumers.

(i) Outline two ethical responsibilities that consumers have when purchasing goods and services. *(6m)*

1.

2.

(ii) Developments in technology have changed how consumers shop. Outline one benefit and one drawback for consumers of the growth of online shopping. *(6m)*

Benefit:

Drawback:

(iii) Kayla regularly buys low-cost clothing online from fast fashion websites.

"Irish consumers are among the highest purchasers of clothing and textiles in Europe, buying an average of 26 kg per person per year." Adapted from the Environmental Protection Agency, Ireland, 2023

Outline two ethical or sustainability concerns a consumer should consider before purchasing fast fashion items. *(6m)*

1.
2.

(iv) Outline one advantage and one disadvantage for Kayla of purchasing fast fashion items. *(6m)*

Advantage:

Disadvantage:

(v) Recommend one action Kayla could take to become a more sustainable consumer. Give a reason for your answer. *(3m)*

Recommendation:
Reason: