



Business Studies

Common Level

Strand 2: Enterprise Revision Pack

This revision pack contains 20 short questions and 4 long questions laid out like an exam paper.

Name:		Class:	
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Section A

LO 2.13

Question 1

Indicate whether the following assets is fixed or current by placing a tick (✓) in the correct box.

Asset	Fixed	Current
Delivery van		
Cash		
Warehouse		
Stock of goods for resale		
Machinery		

LO 2.10

Question 2

Using the information given on the invoice extract below, complete the three blank spaces.

	EUR
Total (excluding VAT)	40,000
Trade Discount (10%)	4,000
Subtotal	
VAT (23%)	
Total (including VAT)	

LO 2.9

Question 3

Dolan's Deli is a well-known lunch and coffee shop in Mullingar, Co. Westmeath. It has been trading for eight years and has a loyal local customer base. The owner, Fiona Dolan, is considering opening a second location in Athlone. However, she is aware that there are several large supermarket chains already operating in Athlone that offer meal deals at lower prices.

The owners have started a SWOT analysis. Two boxes have been completed for you. Fill in both Opportunities and both Threats using the information provided.

Strengths	Weaknesses
Strong local brand with a loyal customer base in Mullingar	High start-up costs for fitting out the new premises Owner must divide time between both locations
Opportunities	Threats





LO 2.7

Question 4

Aisling Moran is opening a craft coffee shop on Grafton Street, Dublin. She wants to find out what local customers expect from a coffee shop.

Use a tick (✓) to show whether each of the following is an example of primary (field) or secondary (desk) research. One has been completed for you.

	Primary (Field)	Secondary (Desk)
Conducting face-to-face interviews with passing shoppers		
Reading a Failte Ireland report on food and drink trends		
Sending a questionnaire to local residents by email		
Visiting competitor websites to compare menus and prices		

LO 2.2

Question 5

Niamh Hayes left her job as a graphic designer in 2023 to set up her own sustainable homeware brand, Green Thread, in Cork. She invested her personal savings and took on the financial risks involved. The business now employs three people.

(i) Complete the sentence below by filling in the three blank spaces.

An entrepreneur is someone who takes on the _____ of starting a new business in order to earn a _____ by being _____ and identifying a gap in the market.

(ii) Explain one reason why a person like Niamh would want to become an entrepreneur.





LO 2.2

Question 6

Fill in the missing factors of production below. One has been completed for you.

Factor	Description
	Natural resources used in production, such as raw materials, land, water and energy
	Human effort — physical and mental — used to produce goods and services
	Man-made resources used in production, such as machinery, buildings and technology
4. Enterprise	The skill of organising the other three factors and taking a financial risk to set up a business

LO 2.4

Question 7

Using the information below, differentiate between the rights and responsibilities of an employee. Place a tick (✓) in the correct box.

	Right	Responsibility
To be paid at least the national minimum wage		
To follow all health and safety procedures in the workplace		
To join a trade union		
To carry out duties with care and honesty		
Not to be unfairly dismissed		

LO 2.11

Question 8

Lo's Kitchen is a Vietnamese restaurant in Galway city. The owner, Lan Lo, needs to buy a delivery motorbike costing €4,500 to offer a takeaway service.

(i) Tick (✓) the most suitable type of source of finance for this purchase.

Short-term	Medium-term	Long-term

(ii) Give one reason for your choice.





LO 2.13

Question 9

Complete the Statement of Financial Position extract below:

Fixed Assets	Cost €	Depreciation €	Net Book Value €
Buildings	380,000	7,600	(i)
Equipment	72,000	(ii)	64,800
Total Fixed Assets	(iii)	14,800	437,200

Workings:

LO 2.10

Question 10

Connolly Garden Centre issued a credit note to a customer who returned 5 faulty garden furniture sets. Each set was priced at €120. Reason: Damaged in transit. A trade discount of 10% applies. VAT rate: 23%. Complete the credit note extract below.

	EUR
Total (excluding VAT)	
Trade Discount (10%)	
Subtotal	
VAT (23%)	
Total (including VAT)	

LO 2.1

Question 11

Match each statement below with the correct type of business by placing A, B or C in the correct box. Use each letter once only.

	Statement	
A	The business is owned by two to twenty people who share profits, responsibilities and have unlimited liability.	
B	The business is a separate legal entity from its owners. Shareholders are liable only for the amount they invested.	
C	The business is owned and run by one person who keeps all profits but is personally responsible for all debts.	
Sole Trader	Partnership	Private Limited Company (Ltd)





LO 2.11

Question 12

The following is an extract from the cash flow forecast of Dolan's Deli for February to April 2025.

(i) Complete the cash flow forecast below.

	February €	March €	April €	Total €
Total Receipts (A)	19,400	22,600		
Total Payments (B)		21,400	18,200	
Net Cash (A minus B)	(1,200)		(2,100)	
Opening Cash	2,800			
Closing Cash				

Workings (if required):

(ii) Identify a month where Dolan's Deli plan to have a surplus?

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LO 2.8

Question 13

Read the following statements about how Green Table Foods promotes and sells its organic sauces.

	Statement
A	Green Table Foods charges €6.99 per jar, positioning its sauces as an affordable premium product.
B	Green Table Foods runs Instagram and TikTok campaigns and works with food influencers to reach health-conscious consumers.
C	Green Table Foods sells through its own website, selected SuperValu stores and at farmers markets across Munster.

Identify which element of the marketing mix (Product, Price, Place or Promotion) each statement relates to.

Statement A	Statement B	Statement C





LO 2.4

Question 14

Workers at Bay Road Bikes are in dispute with management over working hours and pay. If the dispute is not resolved, the employees may take industrial action.

Explain two types of industrial action that employees may take.

1.	
2.	

LO 2.9

Question 15

Aisling Moran has developed a business plan for her craft coffee shop on Grafton Street.

The following three sections are normalised included in her business plan:

Section 1	Section 2	Section 3
Production Plan	Marketing Plan	Financial Plan

Outline what information would be contained in any two of the sections above.

Section chosen:
What it contains:

Section chosen:
What it contains:





LO 2.3

Question 16

Use a tick (✓) to show whether each of the following is an example of employment, work or volunteerism.

	Employment	Work	Volunteerism
Cian Walsh earns €13.50 per hour working Saturdays in a supermarket			
Aoife Byrne spends two hours each weekend helping elderly neighbours with shopping			
John spent 12 hours over the weekend painting his own house			
Dr Nair works as a salaried GP in a HSE practice in Limerick			
Sarah Lee coaches an under-14 camogie team every Thursday without pay			

Outline one benefit of volunteerism for the person who volunteers.

LO 2.6

Question 17

Green Table Foods recently moved its ordering system fully online and launched a social media advertising campaign on Instagram and Facebook. The company now uses automated stock management software to track inventory levels after investing heavily in it recently.

Describe **one** reward and **one** cost of this use of digital technology for Green Table Foods.

Reward:

Cost:





LO 2.5

Question 18

A large international supermarket chain has announced plans to open a new store on the outskirts of Mullingar, Co. Westmeath. The store will employ 120 people and will be open seven days a week.

(i) Outline one positive impact and one negative impact the opening of this store could have on the local community.

Positive impact:

Negative impact:

LO 2.12

Question 19

On 30 April 2025, Pixel Print Ltd lodged cash sales of €8,200. There was no VAT on these sales.

Post this transaction to the relevant ledger accounts below.

Dr		Bank / Cash a/c			Cr
Date	Details	Total €	Date	Details	Total €

Dr		Sales a/c			Cr
Date	Details	Total €	Date	Details	Total €





LO 2.13

Question 20

Complete the following extract from the Income Statement of Doyle Foods Ltd for the year ended 31/12/2024.

Income Statement of Doyle Foods Ltd for the year ended 31/12/2024		
	€	€
Sales		480,000
Less Cost of Sales		
Opening Stock	24,000	
Purchases	(i)	
Carriage Inwards	8,000	
	316,000	
Less Closing Stock	18,000	
Cost of Goods Sold		(ii)
Gross Profit		(iii)

Workings (if required):





Section B – Long Questions

LO 2.1 | 2.2 | 2.5 | 2.11

Question 21

Rián Dolan is a 28-year-old entrepreneur from Drogheda, Co. Louth. After working as a barista for five years, he spotted a gap in the market for high-quality, sustainably sourced coffee in the north-east of Ireland. In January 2025 he opened Brew North, a craft coffee shop and roastery. He invested his personal savings of €25,000 and received a government enterprise grant of €15,000. Rián now employs four part-time members of staff.

- (a) Rián identified a number of entrepreneurial skills he needed to set up Brew North.
 (i) Identify and explain two skills or characteristics of an entrepreneur. Use Rián Dolan as an example in each answer. (8m)

1.	
2.	

- (ii) Rián received an enterprise grant of €18,000. Explain why a grant was a suitable source of finance for Rián at the start-up stage of his business.

- (b) (i) Brew North has won a contract to supply coffee to two local hospitals and a school in Drogheda. Outline one positive impact and one negative impact this could have on the local community. (6m)

Positive impact:
Negative impact:





(ii) Outline two reasons why it was important for Rián to prepare a business plan before opening Brew North

1.
2.

(c) There are many different types of enterprise operating in Ireland.

	Type	Description
A	Social Enterprise	A business that trades to achieve a social, environmental or community objective rather than to make a profit for owners.
B	Financial Enterprise	A business that provides financial products and services such as loans, insurance and investment.
C	Cultural Enterprise	A business that promotes arts, heritage, music, sport or cultural identity as part of its core purpose.

(i) Name one Irish example of each type of enterprise above. (3m)

Social Enterprise	Financial Enterprise	Cultural Enterprise

(ii) Outline two roles that a social enterprise plays in society. (6m)

1.
2.

(iii) Outline one challenge facing a social enterprise. (3m)





(d) Rián has prepared the following information for the Brew North cash flow forecast for January to April 2025.

(i) Using the information below, complete the Brew North cash flow forecast. (16m)

- Sales income: €6,700 (Jan) | €7,800 (Feb) | €14,600 (Mar) | €13,800 (Apr)
- Enterprise grant received: €18,000 (January only)
- Rent: €1,800 per month
- Wages: €2,400 per month
- Purchases: €6,000 (Jan) | €4,500 (Feb) | €5,400 (Mar) | €5,100 (Apr)
- Equipment purchased: €12,500 (January only)
- Marketing: €1,200 (Jan) | €600 (Feb) | €400 (Mar and Apr)
- Opening cash (1 January 2025): €200

	January €	February €	March €	April €	Total €
Receipts					
Sales					
Enterprise Grant					
Total Receipts (A)					
Payments					
Rent					
Purchases					
Wages					
Equipment					
Marketing					
Total Payments (B)					
Net Cash (A minus B)					
Opening Cash					
Closing Cash					

Workings (if required):

(ii) Based on your cash flow forecast, identify one month where Brew North has a planned deficit. Recommend one action Rián could take to deal with this deficit. (3m)

Month with a deficit:	
Recommendation:	





(c) Post all totals and balances from your Analysed Cash Book to the relevant ledger accounts below. (16m) *No account title = no marks. Dates must include the year.*

Dr	<u>VAT A/C</u>				Cr
Date	Details	Total €	Date	Details	Total €

Dr	<u>A/C</u>				Cr
Date	Details	Total €	Date	Details	Total €

Dr	<u>A/C</u>				Cr
Date	Details	Total €	Date	Details	Total €

Dr	<u>A/C</u>				Cr
Date	Details	Total €	Date	Details	Total €

Dr	<u>A/C</u>				Cr
Date	Details	Total €	Date	Details	Total €

Dr	<u>A/C</u>				Cr
Date	Details	Total €	Date	Details	Total €





LO 2.13

Question 23

Green Table Foods Ltd is an Irish food producer based in Macroom, Co. Cork, specialising in organic sauces and condiments. The following information is available for the year ended 31 December 2025.

The following trial balance has been extracted from the books of Green Table Foods Ltd as at 31/12/2025. Green Table Foods Ltd had €400,000 in Authorised Share Capital

Trial Balance of Green Table Foods Ltd as at 31/12/2025		
	Dr €	Cr €
Sales		212,000
Stock 01/01/2025	16,000	
Purchases	120,000	
Carriage Inwards	4,000	
Insurance	8,000	
Rent	18,000	
Wages	26,000	
Telephone and Broadband	4,000	
Cash	20,000	
Debtors	14,000	
Buildings at cost	280,000	
Equipment	60,000	
Creditors		16,000
Bank Overdraft		5,000
Five-year loan		50,000
Share Capital (Ord. €1)		269,000
P&L Balance 01/01/2025		28,000
Dividends Paid	10,000	
	580,000	580,000

Additional information: Closing Stock at 31/12/25 was worth €24,000.

Buildings are depreciated at 2% of cost. Equipment is depreciated at 10% of cost.

Workings:

Depreciation on Buildings	Depreciation on Equipment





(a) Complete the Income Statement for Green Table Foods Ltd for the year ended 31/12/2025. (18m)

Income Statement of Green Table Foods Ltd for the year ended 31/12/2025		
	€	€
Sales		212,000
Less Cost of Sales		
Stock 01/01/2025	16,000	
Purchases	120,000	
Carriage Inwards	4,000	
	140,000	
Less Stock 31/12/2025	24,000	
Cost of Goods Sold		
Gross Profit		
Less Expenses		
Total Expenses		
Net Profit		
Less Dividends Paid		
Add Profit and Loss Balance 01/01/2025		
Profit and Loss Balance 31/12/2025		





(c) Analyse the financial performance of Green Table Foods Ltd.

(i) The following figures are taken from last year's accounts:

	Year ended 31/12/2024 €
Sales	192,000
Cost of Goods Sold	116,000
Gross Profit	76,000

Based on the figures above, were the results you have calculated for 2025 a good or bad trend for Green Table Foods Ltd in terms of the change in **gross profit**? Give one reason for your answer. (3m)

Good or bad trend:	
Reason:	

(ii) Green Table Foods Ltd is using a bank overdraft. Explain how it can help Green Table Foods Ltd and outline **one** downside of using an overdraft as a source of finance. (3m)

How an overdraft could help:
One downside of using an overdraft:

