Leaving Certificate Business SEC Sample Paper 1
Ordinary Level Solutions

Question 1 **The Business World** **(90 marks)**

(a) **(i)** Private Limited Company

(ii)

Statement	True	False
The European Union (EU) is an example of a trading bloc.	✓	
An increase in exports by EverGlow Organics Ltd will improve Ireland's balance of payments.	✓	
A tariff is a ban on specific goods being imported into a country.		✓

(b) **Packaging (physical evidence)**

- **Language:** multilingual labelling may be required by EverGlow Organics Ltd, especially for products sold in multiple EU countries. Local languages in Asia (e.g. Mandarin in China, Japanese, Korean, etc.) are essential. Mislabelled or untranslated products may be rejected by regulators or consumers.
- **Cultural preferences:** EverGlow Organics Ltd will have to consider the cultures of its new customers. Consumers may value sustainability, so eco-friendly packaging (e.g. biodegradable, recyclable) is attractive. In some countries (e.g. Japan), there is a cultural preference for neat, compact and visually appealing packaging. In contrast, in other countries, like China, red and gold are often considered lucky or premium colours.
- **Regulatory requirements:** EverGlow Organics Ltd will need to ensure they check local regulations. Different countries have strict packaging laws – such as health warnings on food or alcohol, nutritional information or other specific measurements (e.g. CE marking, recycling symbols and specific nutritional information) are often legally required.
- **Aesthetic appeal:** EverGlow Organics Ltd will need to consider how product design, colour and layout might be altered to align with local tastes. Colours, symbols and imagery can have different meanings. Designs that work in Ireland or elsewhere in Europe may be misinterpreted or seen as inappropriate in some Asian countries.

Price

- **Income levels and purchasing power:** people in different countries have different levels of disposable income, which affects how much they're willing or able to spend on products. This may affect the price EverGlow Organics Ltd can charge and their potential sales.
- **Competitors' prices:** EverGlow Organics Ltd will need to research existing competitors' prices to ensure they can compete with the prices and still make a profit. They will need to set prices carefully and consider offering value-added features or promotions (e.g. eco-friendly, organic or Irish-made selling points).
- **Additional costs:** EverGlow Organics Ltd's prices must account for import duties, local taxes (e.g. VAT) and compliance costs, which vary significantly across countries. Costs of shipping, warehousing and local distribution can also differ greatly.
- **Exchange rates:** currency fluctuations can impact profitability. EverGlow Organics Ltd could consider using local production or sourcing to lessen risks.
- Other acceptable answers related to EverGlow Organics Ltd.

Continued on next page →

(c) **Driving forces** (any **two**)

- They are already successful and have seen steady growth.
- There is a growing demand for organic products.
- They may save money through economies of scale.

Restraining forces (any **two**)

- Changing exchange rates can have a negative effect.
- They will need increased financing to expand.
- There will be new competitors in the market.
- They will need to adapt to differences in culture and traditions.
- The income levels in other countries may affect their potential sales.

(d) (Any **two**)

Primary research: EverGlow Organics Ltd could conduct primary research to gather new data specific to the target market. Methods include:

- **surveys or questionnaires:** asking potential customers in Europe or Asia about their preferences, buying habits or price expectations
- **focus groups:** asking small groups of local consumers to give detailed feedback on product ideas, packaging or branding
- **interviews:** having one-on-one conversations with consumers, distributors or retailers in the target market
- **product testing:** launching a small batch of products to see how the market responds before going ahead with a full launch.

Secondary research: EverGlow Organics Ltd could conduct secondary research, using existing data that has already been published by governments, trade associations, market analysts or other businesses. The sources could include:

- **government reports** (e.g. from Enterprise Ireland, EU trade databases)
- **industry reports** (e.g. from IBISWorld, Statista, McKinsey)
- **competitor analysis:** studying local and international competitors – their pricing, packaging and market share
- **market trend data:** understanding consumer behaviour trends, economic indicators and cultural insights in the target regions.

(e) **Advantages** (any **two**)

- **Flexibility and independence:** freelancers can choose their own working hours, clients and projects. Freelancing is ideal for people who want to balance work with personal commitments, such as parents or students.
- **Variety of work:** freelancers often work with different clients across various industries, which keeps work interesting and helps build a broad skillset.
- **Potential to earn more:** successful freelancers can set their own rates and take on multiple projects. There is no income cap like in a salaried position – the more they work, the more they can earn.
- **Work from anywhere:** many freelance jobs, especially in areas like IT, design, writing and marketing, can be done remotely, cutting down on commuting and location limitations.

Continued on next page →

Disadvantages (any **two**)

- **Lack of job security:** freelancers often have no guaranteed income or long-term contracts. Their workload and income can fluctuate significantly, especially during economic downturns.
- **No employee benefits:** freelancers are not entitled to benefits like paid holidays, sick leave, pension contributions or maternity leave, unless they arrange these privately.
- **Administrative tasks:** freelancers must handle their own tax returns, invoices, pension planning and financial records. In Ireland, they must register as self-employed with Revenue and file annual income tax returns.
- **Isolation:** freelancing can be lonely, especially for people who are used to working in a team or office environment. They have no HR department or manager for support – the freelancer is responsible for solving problems alone.

(f) **Source of finance:** long-term loan

Reason: EverGlow Organics Ltd could apply for a long-term loan from a financial institution. These can be for a large amount and paid back with interest in regular instalments over a long period of time. They can manage their cash flow in advance, which makes it easier to manage payments.

Source of finance: investors

Reason: EverGlow Organics Ltd could raise funds by selling shares of the business to investors. The shareholders do not need to repaid, and the amount they receive in ordinary dividends can vary depending on the performance of the business. However, EverGlow Organics Ltd would be giving up some of their ownership and control to investors.

(g) **Challenge:** employees based in different countries

Solution:

- **Video conferencing tools** (e.g. Zoom, Microsoft Teams): allow for face-to-face meetings across time zones, helping to build relationships and improve clarity.
- **Instant messaging apps** (e.g. Slack, Microsoft Teams): enable quick, informal communication to keep everyone updated.
- **Cloud storage and collaboration tools** (e.g. Google Drive, Dropbox, OneDrive): employees can work on the same documents together, anytime and anywhere.
- **Project management software:** helps teams assign tasks, track progress and collaborate in real time, regardless of location.

Challenge: Lack of in-person meetings

Solution:

- **Video meetings:** using platforms like Google Meet or Zoom simulate face-to-face interaction and help with visual cues like expressions and gestures.
- **Virtual collaboration tools:** allow for brainstorming sessions and planning in a shared digital space.
- **Internal social platforms** (e.g. Yammer, Workplace by Meta): encourage informal communication, team-building and a sense of community within the business.
- **Recorded meetings:** teams can record sessions so absent members can catch up, reducing miscommunication.

Continued on next page →

Challenge: communicating with consumers all over the world

Solution:

- **Multilingual websites and chatbots:** use AI chatbots with multilingual capabilities (e.g. Intercom, Zendesk) to answer customer queries in different languages 24/7.
- **Email marketing software** (e.g. Mailchimp, HubSpot): sends customised content based on customer location, language and preferences.
- **Social media platforms** (e.g. Facebook, Instagram, X, TikTok): enable businesses to reach and engage with global audiences using targeted posts and ads.

Question 2 **(70 marks)**

(a) **(i)** Amazon operates as a **public** listed company whose owners have **limited** liability.

(ii)

Statement	True	False
The owners of a company are known as shareholders.	✓	
Privatisation is the transfer of a business from the government to the private sector.	✓	
A cooperative is owned and controlled by the government.		✓

(b) **(i)** (Any **two**)

- **Pay disputes:** issues relating to wages, overtime rates, pension contributions, insufficient bonuses or specific pay claims, such as cost-of-living pay claim, productivity pay claim, relativity pay claim or comparability pay claim.
- **Working conditions:** conflicts over working hours, holiday entitlements, inadequate health and safety measures, or changes in work schedules.
- **New work practices/technology:** resistance to new technology or work practices, if adequate training or compensation is not provided.
- **Redundancy disputes:** redundancy can lead to disputes if unfair selection methods are used (e.g. cherry-picking employees versus last in, first out (LIFO)).
- **Redundancy payments are inadequate:** employees in Ireland are entitled to statutory redundancy payments after two years of service, but disputes may occur if voluntary top-up payments are deemed insufficient.
- **Demarcation disputes:** conflicts over which employees should perform specific job tasks or roles.
- **Unfair dismissal:** when an employee believes they or their colleagues were wrongfully dismissed.
- **Discrimination:** unequal treatment of employees (e.g. age discrimination in promotions).
- **Promotions:** disagreement over perceived unfairness in promotion decisions.

(ii) (Any **one**)

- **Reduced employee morale:** conflict can lead to tension, stress and dissatisfaction among staff. A toxic atmosphere may develop, reducing team spirit and motivation.
- **Lower productivity:** employees involved in conflict may become distracted, avoid certain colleagues or stop contributing effectively. Time spent on disagreements is time lost from completing tasks.
- **Poor teamwork and communication:** conflict may create divisions in teams, making it harder to collaborate or share ideas. Team members may avoid communicating altogether, which damages workflow.
- **Increased absenteeism and staff turnover:** employees may take more sick days or even leave the organisation to avoid the negative environment. Replacing staff can be expensive and time-consuming.
- **Damage to company reputation:** if conflict becomes public (especially in the age of social media), it can damage the company's image, affecting both customers and potential new employees.

Continued on next page →

(c) (Any **two**)

- **Meet and talk:** a meeting is held between the relevant manager and the employee(s). The source of conflict is clarified, then the issues are discussed with the aim of trying to resolve these issues. Meeting minutes should be taken to record key decisions and follow-ups.
- **Negotiation:** both parties discuss and exchange offers to reach a compromise. There should be open communication and compromise. The employer may be represented by the Human Resources (HR) manager, and the employee(s) could be represented by the shop steward or a trade union representative. Minutes should record key decisions and actions.
- **Mediation:** an independent, impartial mediator helps both sides to find a solution. If the conflict involves disciplinary action or potential dismissal, the procedures outlined in the Unfair Dismissals Act 1977–2015 must be followed.

(d) **(i)**

Business	Marketplace	Subscription	Crowdfunding
ebay	✓		
gofundme			✓
NETFLIX		✓	

(ii) (Any **one**)

Marketplace business model: an online platform, e.g. eBay, that enables customers and suppliers to connect and make a transaction. The owners of the online marketplace provide the platform for the exchange between buyers and sellers and will receive a commission on any sale.

Subscription business model: a recurring revenue model in which customers pay a weekly, monthly or yearly fee in exchange for products or services (e.g. Spotify). Subscription models can include different tiers (e.g. basic, premium).

Crowdfunding business model: a platform through which larger numbers of people can contribute small amounts of money to a given cause or campaign (e.g. Kickstarter, Seedrs and GoFundMe). The money may be given with no expectation of return and is often used for charities or social causes (GoFundMe). The money may be given in exchange for a non-financial reward, such as early access to a product (Kickstarter) or contributed to receive shares in the company in return (Seedrs).

(e) **(i)** (Any **three**)

- **Be cautious with personal information.** Consumers should avoid sharing sensitive information, like bank account details, PINs or PPS numbers through email, text or over the phone unless they're absolutely sure of the source.
- **Use secure payment methods and websites.** When shopping or banking online, consumers should ensure the website is secure; look for a padlock icon and "https://" in the address bar. Using credit cards or trusted payment services (like PayPal) offers more protection than debit cards or bank transfers.

Continued on next page →

- **Monitor accounts regularly.** Consumers should regularly check their bank statements and transaction history for any suspicious or unexpected activity. Setting up alerts for large or unusual transactions can help detect fraud quickly.

(ii)

Statement	True	False
EU digital service providers must notify consumers before changing their terms of service.	✓	
EU consumers have a 14-day cooling-off period to cancel a service without reason.	✓	
Consumers have more legal protections when purchasing from a non-EU retailer compared to buying from within the EU.		✓

Question 3 **(70 marks)**

(a) **(i)**

E	S	G
Environmental	Social	Governance

(ii)

	E	S	G
Employee Wellbeing		✓	
Pollution Prevention	✓		
Community Involvement		✓	
Structure of the Board of Directors			✓

(b) **Benefits** (any **two**)

- **Greater flexibility:** employees can often set their own hours and work around personal commitments. This offers a better work–life balance, especially for parents or carers.
- **Time and cost savings:** not having to commute saves time and travel costs (less money spent on work clothes, lunches and transport), and reduces daily stress.
- **Increased productivity:** fewer office distractions can lead to better focus and output. Employees have the ability to design a personal workspace that suits their individual preferences.
- **Improved job satisfaction:** greater autonomy and trust can lead to higher morale and job satisfaction, as does the opportunity to work from different locations (e.g. home, co-working spaces).

Challenges (any **two**)

- **Feelings of isolation:** the lack of in-person interaction can lead to loneliness or disconnection from the team. It can be harder to build social relationships with colleagues.
- **Difficulty separating work and home life:** without clear boundaries, employees may work longer hours or struggle to switch off. There is the potential for burnout if not well managed.
- **Communication issues:** relying on emails and messages can lead to misunderstandings or delays. Collaboration may be harder without face-to-face interaction.
- **Dependence on technology:** remote working requires a strong internet connection, appropriate equipment and technical know-how. Technical issues can disrupt productivity.

(c) (Any **two**)

- **Encourage a healthy work–life balance:** managers can promote flexible working hours and regular breaks, and discourage excessive overtime. Supporting employees in setting boundaries helps them reduce stress and prevents burnout.
- **Model healthy behaviours:** managers who take breaks, use annual leave and prioritise self-care set a good example for staff. This encourages others to do the same without guilt or fear of judgement.

Continued on next page →

- **Provide access to wellness resources:** offering wellness programmes, such as mental-health support, counselling, fitness classes or healthy eating initiatives shows that the company values employee wellbeing and encourages a healthier lifestyle.
- **Create a positive work environment:** promote open communication, recognition and a supportive team culture. A respectful and inclusive workplace improves employee mental health and morale.
- **Organise staff wellness challenges or workshops:** run team wellness challenges (e.g. step-count competitions) or invite guest speakers on topics such as nutrition, mindfulness or resilience. These promote engagement while raising awareness about health.

(d) (Any **two**)

- **National minimum wage:** all workers aged 20 and over are entitled to the national minimum wage. As of 1 January 2025, this is €13.50 per hour.
- **Payment of wages:** employees are entitled to receive wages through lawful methods such as cash, cheque or bank transfer. Employers cannot make deductions from wages unless required by law (e.g. PAYE tax, PRSI), agreed upon in writing by the employee or permitted by a court order.
- **Equal pay:** all employees receive equal pay for equal work, regardless of gender, age, race or other protected characteristics. Employers with 50 or more employees are required to report on their gender pay gaps, promoting transparency and fairness.
- **Statutory sick pay (SSP):** employees are entitled to five days of paid sick leave per year (as of 2025), once they provide a medical certificate.
- **Payslips:** employers are legally required to provide employees with a detailed payslip for each pay period, outlining gross pay, deductions (e.g. taxes, pension contributions) and net pay.
- **Pension auto-enrolment:** employees aged 23 to 60 earning over €20,000 annually and not already enrolled in a pension scheme will be automatically enrolled in the My Future Fund pension scheme (starting 30 September 2025). Both employers and employees will contribute to the pension fund, starting at 1.5% of the employee's salary, with gradual increases over time.

(e) (Any **two**)

- **Recognition and appreciation:** acknowledging employees' efforts through praise, awards or public recognition boosts morale and makes employees feel valued and respected.
- **Opportunities for career progression:** offering promotions, training or development programmes motivates employees by showing there's a future for them in the organisation.
- **Positive work environment:** a workplace that promotes respect, inclusion and collaboration helps employees feel comfortable and supported, reduces stress and increases job satisfaction.
- **Good management and leadership:** supportive and approachable managers create a culture of trust and open communication. Employees feel more motivated when they're well led.
- **Flexible working conditions:** options such as remote work, flexi-time or compressed hours allow for a better work–life balance. Increases motivation and reduces burnout.
- **Autonomy and responsibility:** allowing employees to make decisions and take ownership of tasks increases confidence, job satisfaction and motivation.
- **Teamwork and social connection:** encourage team-building and a sense of community at work. Employees often feel more motivated when they are part of a strong, supportive team.

Continued on next page →

- **Meaningful work:** employees are more engaged when they believe their work is important and contributes to a larger purpose. This creates a sense of pride and personal fulfilment.

(f) **(i)**
- The Council of the European Union
- The European Commission
- The European Parliament
- The European Central Bank

(ii)
- Regulation
- Opinion

(g) (Any **two**)
- **Access to the single market:** Ireland benefits from tariff-free trade with other EU member states. Irish businesses can sell goods and services to consumers across the EU without customs barriers or quotas. This makes Ireland an attractive location for export-focused industries, especially in pharmaceuticals, agri-food and tech.
- **Foreign direct investment (FDI):** EU membership provides regulatory stability and access to the single market, making Ireland attractive to global companies. Many multinational corporations (e.g. Google, Facebook, Apple) have their European headquarters in Ireland due to this access. This contributes significantly to job creation, tax revenue and technological advancement.
- **EU funding and financial support:** Ireland has received substantial financial support from the EU over the years, especially in infrastructure, agriculture and education. Funding from programmes like the Common Agricultural Policy (CAP) supports farmers and rural communities. EU cohesion and regional funds help improve transport, broadband and public services.
- **Labour mobility and skills:** EU citizens have the right to live and work in Ireland, which helps address skills shortages in sectors like healthcare, construction and IT. Irish citizens also benefit from the freedom to work, study and retire in other EU countries.
- **Consumer protection and standards:** Irish consumers benefit from high EU standards in food safety, product quality and environmental regulations. This builds trust in Irish products both domestically and for export.
- **Political and economic stability:** being part of a larger political and economic union helps Ireland weather global shocks more effectively (e.g. during the 2008 financial crisis or Brexit). The EU also provides a platform for Ireland to influence wider European policies.

Question 4 **(70 marks)**

(a) **(i)**

Option 1: Trade Republic	✓
Option 2: Bank of Ireland	

(ii)
- Higher AER rate of 3.75%
- Instant access
- There is a lower minimum amount and a higher maximum amount.

(iii)

A	E	R
Annual	Equivalent	Rate

(b) (Any **two**)
- **Safety and security:** choose a regulated financial institution (e.g. bank or credit union) that is covered by the Deposit Guarantee Scheme in Ireland. This protects deposits of up to €100,000 per person per institution, in case the bank fails.
- **Access to funds:** consider how easily and quickly you can access your money. Notice accounts or fixed-term savings may offer better rates but require advance notice or restrict access for a set period.
- **Saving limits:** some accounts may have a minimum amount you can start the account with and must keep in the account at all times. In addition, some accounts have a maximum that can be saved in it, which may limit your saving and interest goals.
- **Account fees and charges:** some accounts may have monthly fees, withdrawal limits or penalty charges. These costs can reduce the actual return on your savings.
- **Savings goals and timeframe:** short-term goals (e.g. an emergency fund) may suit instant access accounts. Long-term goals (e.g. a house deposit) might benefit from locked-in savings or investment options with higher returns.
- **Ethical or green banking options:** some savers consider ethical or environmentally friendly banks, which invest in sustainable and socially responsible projects, as they align with personal values.

(c) (Any **two**)
- **Convenience and accessibility:** digital banks operate entirely online, allowing customers to open and manage accounts from anywhere using a smartphone or computer. They are available 24/7, unlike traditional banks that have limited branch hours.
- **Fast and easy setup:** setting up an account is typically quick and straightforward – often within minutes, using an app and a form of ID. There is no need to visit a physical branch or fill out long paper forms.
- **Lower fees:** many digital banks offer low or zero fees for everyday banking services (e.g. account maintenance, ATM withdrawals, foreign transactions). They often have fewer overhead costs and pass on these savings to customers.
- **User-friendly apps and features:** digital banks usually have modern apps with features like instant spending notifications, budgeting tools and spending breakdowns, easy bill splitting and money transfers, and virtual cards for secure online shopping.

Continued on next page →

- **Innovative technology:** digital banks often use advanced tech (like biometric login, two-factor authentication and AI-driven tools) to improve security and customer experience. They are often at the forefront of banking innovation.
- **International services:** many digital banks offer competitive exchange rates, multi-currency accounts and low-cost international transfers, making them ideal for frequent travellers or those sending money abroad.
- **Environmentally friendly:** digital banks tend to use less paper and have a smaller carbon footprint, as they don't run physical branches.

(d) **(i)** The circular economy is a model of production and consumption that extends the life cycle of products, reduces waste and creates further value.

(ii) (Any **two**)

- **Environmental impact:** excessive use of plastic or non-recyclable packaging raises environmental concerns. Long-distance shipping, especially from non-EU countries, increases emissions and harms the planet. Purchasing cheap, trendy clothing from online stores contributes to waste and pollution.
- **Local versus global retailers:** some Irish consumers feel that buying from large online platforms harms local Irish businesses. There is a growing movement to 'shop local' and support sustainable, homegrown enterprises instead of global corporations.
- **Labour conditions:** consumers may be concerned about how workers are treated in the supply chain. Some online retailers outsource production to countries with poor labour practices, leading to ethical concerns.
- **Product origin and transparency:** consumers want to know where and how products are made. Lack of transparency can raise suspicion about use of child labour, unethical sourcing of materials or environmental damage caused during production.
- **Data privacy and security:** consumers may have ethical concerns about how customer data is collected, stored and used. Consumers worry about the misuse or sale of personal data, the lack of clear data protection policies and weak cybersecurity measures.
- **Product quality and returns:** ethical concerns arise when products are misleadingly advertised or when retailers have poor return policies or are slow to issue refunds.

(e) (Any **two**)

- **Advertising:** the business can use paid communication to inform or persuade consumers through various media. The types of advertising include informative, persuasive, reminder and generic. Advertising can use a variety of media, such as TV, radio, newspapers, magazines, social media, websites, search engines, billboards and buses.
- **Sales promotion:** these are short-term incentives used to boost sales quickly, such as discounts and coupons, buy one get one free (BOGOF) deals, competitions and prizes, free samples or trial offers, loyalty cards, or points systems.
- **Public relations (PR):** PR focuses on creating a positive image of the business without direct advertising. This may include sponsoring local events or charities, issuing press releases and generating media coverage, or engaging with the public on social media and corporate social responsibility (CSR) campaigns.
- **Personal selling:** this involves direct communication between a sales representative and a potential customer. This is common in high-value or custom products (e.g. cars, insurance, B2B sales) and allows the salesperson to answer questions, give demonstrations and build relationships.

Continued on next page →

- **Direct marketing:** direct marketing promotes products directly to individual customers. Methods include emails and text messages, flyers and brochures posted to homes, and telemarketing (phone calls), which allows for targeted promotion and often includes personalised offers.
- **Digital and social media marketing:** using online platforms, businesses can promote products, interact with customers and build brand awareness through such methods as social media ads and influencer partnerships, search engine optimisation (SEO), content marketing (blogs, videos, podcasts) and targeted email campaigns.

(f) **(i)** Government policies are **plans** that outline the government's intention. Legislation refers to **laws**, which must be followed by all individuals and organisations.

(ii) (Any **one**)

- **Corporation tax policy:** Ireland maintains a 12.5% corporation tax rate for trading income. This attracts foreign direct investment (FDI) and encourages multinational tech and pharmaceutical companies to establish European headquarters in Ireland (e.g. Google, Pfizer).
- **Climate Action Plan 2024:** this aims to reduce Ireland's carbon emissions by 51% by 2030. It encourages renewable energy development, affects agriculture (carbon footprint) and promotes green transport (e.g. electric vehicles, public transport upgrades).
- **Housing for All: A New Housing Plan for Ireland:** this is the government's housing strategy to deliver new homes and affordable housing. It boosts activity in the construction sector, creates jobs and aims to ease pressure on the housing market.
- **National Broadband Plan:** this expands high-speed internet access across rural and underserved areas. It supports remote working, education and rural businesses, helping to reduce the urban–rural digital divide.
- **Food Vision 2030:** Ireland's agri-food strategy for the next decade aims to increase the global reputation of Irish food as green and premium. It encourages sustainable farming, reduces emissions, improves exports, and supports rural development and income stability for farming families.
- **Project Ireland 2040:** this is the government's long-term plan to guide economic, social and environmental development, investing in housing, transport, health, climate and education. It promotes balanced regional development (e.g. developing cities like Cork, Limerick, Galway, Waterford) and transitioning to a low-carbon economy. It includes the National Planning Framework (NPF) and National Development Plan (NDP).
- **National Development Plan 2021–2030:** this €165 billion investment plan in infrastructure, transport, housing, climate and healthcare boosts employment, supports regional development and improves long-term economic capacity.

Question 5 **(70 marks)**

(a) **(i)**

Costs	Fixed	Variable
Monthly rent for the bakery space	✓	
Cost of ingredients		✓
Lease payments for equipment	✓	

(ii)

S	*Specific*
M	Measurable
A	Achievable
R	*Relevant*
T	Timebound

(b) (Any **one**)

- **Assesses the viability of the idea:** it determines whether the business idea is realistic and achievable. It looks at whether there is a demand for the product or service and helps avoid investing in ideas that are unlikely to work.
- **Evaluates the market:** it investigates the target market, customer needs and level of competition. It also identifies opportunities and threats in the market and helps to determine if there is a sustainable customer base.
- **Estimates financial requirements:** it outlines start-up costs, potential revenues and break-even analysis. It helps determine if the business idea is financially worthwhile and identifies how much funding is needed, as well as potential sources of finance.
- **Examines operational requirements:** it assesses what resources, equipment, premises and staff will be needed, including legal or regulatory issues that could affect the business.
- **Reduces risk:** by identifying possible challenges in advance, it allows the entrepreneur to plan for problems. It reduces the risk of failure by improving decision-making.
- **Improves credibility:** a well-prepared feasibility study can help secure funding from investors or banks. This shows that the entrepreneur has done proper research and understands their business idea.

(c) (Any **two**)

- **Local Enterprise Offices (LEOs):** located in every county, LEOs act as a first-stop shop for new entrepreneurs. The supports offered include feasibility study grants to research business ideas, grants to help start new businesses, mentoring and business advice. They also offer training programmes on business planning, marketing and finance.
- **Enterprise Ireland:** supports high-potential start-ups and companies with plans to export and scale internationally. It offers start-up funding and equity investment. It also provides access to international markets and trade events such as innovation vouchers giveaways (worth €5,000) to support R&D with third-level institutions.

Continued on next page →

- **Microfinance Ireland (MFI):** provides small loans (up to €25,000) to entrepreneurs who may not qualify for bank funding. These are loans with lower interest rates available for start-ups and small businesses with fewer than 10 employees.
- **Department of Social Protection:** the Back to Work Enterprise Allowance (BTWEA) supports unemployed people who want to start their own business. It allows individuals to keep their social welfare payments for up to two years while the business gets started.
- **Revenue supports (tax reliefs):** the Irish tax system includes reliefs to reduce the financial burden on new entrepreneurs. Start-Up Relief for Entrepreneurs (SURE) refunds PAYE tax paid in previous years when investing in your own business. The Start-Up Capital Incentive (SCI) encourages investors to fund new businesses. They can avail of a reduced corporation tax rate and start-ups may qualify for relief on profits for the first three years.
- **The National Enterprise Hub:** an online information and support platform launched by the Irish government (through Local Enterprise Offices and the Department of Enterprise, Trade and Employment). It is designed to be a central resource that helps entrepreneurs, start-ups and small businesses find the right government supports quickly and easily.

(d) (Any **one**)

- **Increased cost of ingredients:** prices for key items like flour, butter, eggs, sugar and fuel may rise. This increases production costs, making it more expensive to bake products. There may be lower profit margins unless prices are adjusted.
- **Higher fuel and energy costs:** running a mobile bakery means relying heavily on petrol/diesel and gas/electricity for cooking and transportation. Inflation often causes fuel and energy prices to rise. This increases the cost of delivering the service or moving between locations.
- **Reduced consumer spending:** if inflation affects consumers' disposable income, they may cut back on treats and non-essential purchases like baked goods. There may be lower sales and revenue if customers spend less.
- **Pricing challenges:** the bakery may need to increase prices to cover rising costs, but this risks losing price-sensitive customers. It is a difficult balance between covering costs and staying competitive.
- **Increased wage demands:** employees or assistants may ask for higher wages to keep up with the rising cost of living. This adds further pressure to the business's expenses.
- **Uncertainty in planning:** inflation makes it harder to predict future costs, which can affect budgeting, pricing and long-term planning, making managing a new business riskier and more complex.

(e) (Any **two**)

- **High operating costs:** rent, utilities, insurance and wages in Ireland can be high, especially in cities. This increases the pressure on small businesses to be profitable quickly, reduces cash flow and discourages risk-taking.
- **Competition:** there may be heavy competition from established brands, international companies or low-cost online sellers. Entrepreneurs need to find a unique selling point (USP) to stand out.
- **Uncertainty from global events:** events like Brexit, international conflicts or pandemics can disrupt supply chains, change regulations or reduce consumer confidence. This adds unpredictability to planning and costs.

Continued on next page →

- **Recruitment and skills shortages:** many industries are experiencing a shortage of skilled workers, especially in tech, construction and hospitality. Small businesses may also struggle to compete with larger companies offering better pay or perks. This makes it hard to grow or maintain service standards.
- **Access to finance:** many entrepreneurs, especially start-ups, struggle to secure loans or investment. Traditional banks may be reluctant to lend to new or unproven businesses. Some may not be aware of alternative finance options (e.g. Microfinance Ireland, crowdfunding). This limits ability to buy equipment, hire staff or expand operations.
- **Infrastructure and deliveries:** while Ireland's public transport system is good in cities, it can be less effective in rural areas. Entrepreneurs in rural areas may struggle with the costs of transporting goods or the lack of delivery options. Due to global supply chain issues, businesses relying on imports may face delays at Irish ports (e.g. Dublin Port, Cork Port).
- **Regulatory and tax compliance:** entrepreneurs must deal with licensing, health and safety laws, tax returns, and employment law. For new business owners, this can be time-consuming and confusing. This can divert time away from innovation or serving customers.
- **Digital and cybersecurity challenges:** businesses are expected to have a strong online presence, but many entrepreneurs lack the skills or resources. Cybersecurity threats are growing, and small businesses are often targets. There may be missed online sales opportunities or risk of data breaches.
- **Work–life balance and stress:** entrepreneurs often work long hours with little personal time, especially at the start. This can lead to stress, burnout and mental-health challenges.
- **Environmental and sustainability concerns:** consumers are increasingly aware of the environmental impact of delivery logistics. Entrepreneurs may face pressure to offer greener delivery options, such as electric vehicles or sustainable packaging. This requires investment in eco-friendly solutions, which can be costly for small businesses, especially when competing with larger businesses that have more resources.

(f) (Any **two**)

- **Right to be informed:** consumers have the right to be clearly informed about how their personal data is being used. Businesses must provide a privacy policy explaining what data is collected, why it is collected, how it is stored and shared, and who it is shared with.
- **Right of access:** consumers can request a copy of any personal data a company holds about them. This must be provided free of charge (in most cases) and within one month.
- **Right to rectification:** if personal data is inaccurate or incomplete, consumers can request it be corrected or updated.
- **Right to erasure (right to be forgotten):** in certain situations, consumers can ask for their personal data to be deleted, such as when data is no longer needed, if the individual withdraws consent and if the data was processed unlawfully.
- **Right to restrict processing:** consumers can request a pause on processing their data while an issue is being investigated, such as accuracy or legal disputes.
- **Right to data portability:** consumers can request that their personal data be transferred to another service provider in a usable format.
- **Right to object:** consumers can object to the use of their data for direct marketing, profiling, research or statistical purposes.
- **Rights related to automated decision making and profiling:** consumers have the right not to be subject to a decision made only by automated processing, especially if it affects them legally or significantly (e.g. loan approval decisions).

Continued on next page →

(i)

	Public	Private	Not-for-profit
RYANAIR		✓	
Iarnród Éireann Irish Rail	✓		
Barnardos			✓

(ii) (Any **two**)

- **Job creation and employment:** many not-for-profit organisations employ staff across sectors such as health, education, social services, arts and the environment. They also provide volunteering opportunities and training programmes, helping people build skills and gain experience. This reduces unemployment and supports workforce development.
- **Supporting communities and social inclusion:** not-for-profits often serve vulnerable or disadvantaged groups, such as the elderly, the homeless or people with disabilities. They offer services that fill gaps not fully covered by the government or private sector. This improves quality of life and promotes equality and inclusion.
- **Reducing pressure on public services:** by delivering social services (e.g. mental-health support, childcare, housing assistance), they ease the burden on state resources, which helps the government manage public spending more efficiently.
- **Encouraging civic engagement and volunteering:** many not-for-profits are community-based and rely on volunteers, helping to foster a sense of civic responsibility and active citizenship. This can help build stronger, more connected communities.
- **Economic activity and local development:** these enterprises often purchase goods and services, rent facilities, and contribute to local economies, which generates local economic growth, especially in rural or disadvantaged areas.
- **Attracting funding and investment:** many not-for-profits receive grants, EU funding or charitable donations, which bring money into the Irish economy. This increases financial circulation in local communities.
- **Promoting sustainable development:** environmental charities and community-based enterprises work on green projects, recycling, renewable energy and sustainability. This contributes to Ireland's climate goals and supports the green economy.