

I INTRODUCTION

1.1 What Is Business Studies?

Business Studies is that part of the curriculum which enables the student to make informed decisions in the everyday business of living, which contributes to the student's understanding of the world of business, which encourages a positive attitude to enterprise and which develops appropriate skills in that field.

The syllabus is balanced between the business education necessary for the individual/household area and business education in the purely commercial context. This balance is achieved by devoting separate syllabus sections to 'the Business of Living' and 'Enterprise'. The business concepts and skills introduced in one are restated and reinforced in the other. A section on economic awareness forms a bridge between these two sections.

The syllabus consists of the main topics outlined below. These topics are interrelated and the achievement of the aims of the syllabus depends upon recognition of the need to integrate these various aspects of Business Studies.

1.1.1 The business of living

The management of personal finance is an important lifeskill which must be practised by everyone, young and old. In business studies much business knowledge and many of its skills may be taught through reference to familiar situations - personal or household. The topics dealt with in this section include: personal income and expenditure, consumer education, budgeting, financial services for the individual, borrowing and insurance.

The development of communications skills, both oral and written, and the skill of efficient record-keeping (and its role in decision-making) are also central to the business of living.

1.1.2 Economic awareness

Without a basic level of economic awareness citizens cannot fully participate in the democratic process. Every day, individuals make economic decisions, as do business firms and governments. It is becoming increasingly difficult to make political choices without some knowledge of economics. Business Studies aims to make some contribution to economic literacy among students in order to enable them to make an informed contribution to the democratic process.

1.1.3 Enterprise

Many of the concepts and skills introduced in 'the business of living' are restated and reinforced in 'enterprise'. The syllabus thus leads the student from the familiar personal/household situation to the less familiar commercial situation. Topics covered in 'enterprise' include forming a business, marketing, business overheads and related accounting including final accounts and balance sheet.

The accounting element seeks to promote in students the attributes of neatness and accuracy; it also seeks to develop the skill of communication in numerical form. It involves the assembly, the recording, the processing, the analysing and the interpretation of numerical data. Students are introduced to accounting principles and to the key concepts of accountability and control.

Accounting is an important aspect of business education but it should not be taught in isolation from the rest of the syllabus. It should be seen as a form of communication, as a record-keeping process, as a major contribution to decision-making and not as an end in itself.

i.1.4 Information technology

The advance of new technology has already reached the stage where all students should be given some experience in its operation. Business Studies makes provision for basic keyboard training, it also advocates the use of this skill in operating appropriate computer software. It is recognised that students, teachers and schools face a great challenge with the spread of modern technology. Business Studies can help to meet that challenge in a school environment which is receptive to modern technology.

2. AIMS AND OBJECTIVES

2.1 Aims

- 2.1.1 To contribute to a balanced and appropriate general education at the Junior Cycle level~ leading to the personal and social development of each student
- 2.1.2 To develop, in each student, habits and methods of investigation, analysis and problem solving at an appropriate level
- 2.1.3 To familiarise each student with technological developments in the business environment
- 2.1.4 To encourage initiative and develop self reliance in each student
- 2.1.5 To provide each student with an appropriate level of economic/business literacy
- 2.1.6 To develop in each student a positive attitude to the creation of wealth and its distribution
- 2.1.7 To provide a foundation for students which could lead to employment/further studies in the business field

2.2 Objectives

- 2.2.1 To encourage in students an interest in, and a positive attitude towards, the business world and to enable them to acquire a knowledge and an understanding of commercial activities and to provide an introduction to the structures and functions of business institutions and their inter-relationships
- 2.2.2 To develop in students skills of communication, use of technology and recording of information and transactions
- 2.2.3 To enable students to apply oral and written communication skills to business activities and to develop the vocabulary necessary for further progress in the business world
- 2.2.4 To enable the students to develop skill in numeracy, neatness and accuracy in respect of recording transactions, summarising these and interpreting the results
- 2.2.5 To develop the skill of accurate keyboarding
- 2.2.6 To develop in students an understanding of the new information technologies and, as far as possible, to enable them to establish a practical and useful skill in the use of computers and office technology
- 2.2.7 To enable students to integrate knowledge and skills in a practical and useful way and in particular in applying them to realistic business/personal situations
- 2.2.8 To encourage students to apply business knowledge and skills to the commercial aspects of their own lives and that of their households

2.3 Attitudinal development

While not specifying attitudes for each section of the syllabus it is expected that in covering the syllabus students will be positively encouraged

- 2.3.1 To develop a positive attitude towards budgeting in the personal, business and national context
- 2.3.2 To develop an awareness of the market forces at work in society and to develop a discriminating attitude in dealing with them
- 2.3.3 To develop an openness to and appreciation of the differing viewpoints in industrial relations
- 2.3.4 To develop an appreciation of accounts as a form of communication and to develop confidence in reading accounts
- 2.3.5 To develop a positive attitude towards entrepreneurs, towards profits, towards the creation of wealth and its distribution
- 2.3.6 To develop a confidence when dealing orally or in writing with financial institutions
- 2.3.7 To develop a positive attitude towards our export market and to transfer that attitude towards acquiring foreign language skills
- 2.3.8 To develop an awareness of the important role of the state in economic affairs and how that role might be manifested
- 2.3.9 To appreciate the importance of acquiring basic economic literacy in order to make informed political choices
- 2.3.10 To develop a positive attitude towards technological development in the domestic, business and industrial world

3~ SYLLABUS STRUCTURE AND CONTENT

3.1 **Knowledge and skills**

Each section of the syllabus is described in an introductory sentence. The key concepts and knowledge are then listed. These are followed by a list of skills with which the student should be equipped having completed that section of the syllabus. The student will be assessed on the skills as well as on the knowledge content.

3.2 **Integration**

Throughout the course every effort should be made to present the syllabus in an integrated manner, the old division between Business Methods and Book-keeping should be avoided.

3.3 **Business Studies and maths**

Students are required to display a number of mathematical skills: these skills are part of the Business Studies syllabus. For the most part the teaching of these skills will involve the reinforcement of skills acquired in maths classes.

3.4 **Business Studies and language**

The communications skills specified in the syllabus are an integral part of the Business Studies course. In some cases it will involve the reinforcement of skills acquired in language class, in others it will involve their introduction ab initio. For many students the vocabulary associated with parts of the course will be totally new - weaker students especially will require time to be spent on familiarisation with the 'new language'.

3.5 **Business Studies and technology**

The links between Business Studies and technology should be explored both in the use of information technologies in Business Studies and in the contribution that Business Studies can make to the wider perspectives of technological education in such areas as marketing, costing and social and economic organisation.

3.6 **Visual presentation of Information**

In presenting data emphasis should be placed on the various ways in which it can be presented e.g. chart, graph, tabular diagrammatic and pictorial form.

3.7 **Levels**

Sections of the syllabus marked with an asterisk will be assessed at Higher Level only.

SECTION ONE: THE BUSINESS OF LIVING

Budgeting

Students are introduced to the matching of income with expenditure

Income

- Sources, regular and additional
- Statutory deductions and consequent benefits; other deductions
- Gross and net pay
- Benefit in kind
- Cash account

Upon completion students should, from given data, be able to:

- Identify sources of income
- Estimate or calculate income
- Interpret a wages slip
- File and record income

Expenditure

- Fixed, irregular, discretionary
- Weekly, monthly, annual
- Opportunity cost
- Impulse buying
- Scarcity and choice
- Analysed cash accounts

Upon completion students should, from given data, be able to:

- List major items of household expenditure
- Classify expenditure under appropriate headings
- Prepare simple expenditure estimates
- Prepare analysed household accounts
- Check bills/invoices/delivery notes
- File and record expenditure

The budget

- Personal/household
- Planning a budget
- Surplus/deficit
- Planning savings
- Current/Capital spending
- Accruals, e.g. ESB

Upon completion, the students, from given data, should be able to:

- Match income and expenditure
- Set priorities in expenditure
- Identify false economies
- Identify shortfalls in income
- Prepare personal/household budget
- Analyse critically personal/household spending
- Classify and record income and expenditure
- Compare the budget with the actual expenditure

Consumer Education

Students are introduced to the concept of being a good consumer, consumer rights and consumer protection.

The consumer

- The informed consumer
- Reasons for protection
- Agencies involved
- Legislation (elementary knowledge)
- Procedure for redress
- Writing a business letter
- Ordering goods/services; receipts; credit notes

Upon completion students should, from given data, be able to:

- Identify causes for complaint
- Apply legislation
- Present oral or written complaint
- File and record details
- Carry out simple research into consumer products

Financial Services for the Consumer

Students are introduced to money, banking services, personal borrowing, savings and insurance.

Money and banking

- Forms of money
- Money transfer facilities
- The use of cheque card; credit card; Eurocheques; travellers' cheques; cash dispenser; Paypath
- Factors involved in selection of an agency (money transmission and savings) from:
 - An Post, credit unions, building societies, commercial banks

Upon completion students should, from given data, be able to:

- Identify different types of money
- Open and operate an account
- Recommend a method of payment
- Complete a cheque
- Interpret a statement
- File and record data
- Cross a cheque in an appropriate manner
- Show how a cheque might be negotiated
- Recommend a suitable financial institution
- Prepare a bank reconciliation statement
- Calculate interest on deposits

Borrowing

- Cash v. credit
- Being a debtor
- Nature and purpose of financial requirement
- Lending agencies including licensed moneylenders
- Rates of interest
- Collateral
- Hire-purchase and rental
- Borrower as a consumer
- Bankruptcy

Upon completion students should, from given data, be able to:

- Compare cash with total credit cost
- Select an appropriate source of credit
- Present a written or oral application for credit
- Calculate and compare the cost of credit
- Compare the true v. flat rate of interest
- Compare rental, purchase and hire-purchase
- Identify the rights of the borrower
- Budget for the borrowing cost
- File and record data

Insurance

- Need for adequate insurance
- Insurable and non-insurable risks
- Basis of insurance
- Personal
- Life
- Car
- All risks
- Proposal form
- Premium
- Claim
- Compensation
- Average clause

Upon completion students should, from given data, be able to:

- Identify insurance requirements
- Estimate cost
- Identify risk effects on premium
- Estimate compensation (including the average clause)
- Calculate a premium
- Explain terms used
- Complete a proposal or claim form

SECTION TWO: ECONOMIC AWARENESS

The National Business

The student is introduced to basic economic concepts and to the economic environment in which he/she lives.

Economic framework

- What is economics?
- Choice, scarcity, limited resources
- Purpose of the economic system
- Rate of inflation
- Economic Growth

Budgeting

- National Budget (outline)
- Expenditure - an introduction to main services provided by the state with particular reference to public utilities
- Income - main sources
- Deficit/surplus

Trade

- Imports and exports
- Importance of trade
- Main types of goods traded
- Sources of imports, destination of exports
- Foreign currencies and exchange rates
- Balance of trade - simple outline*
- Balance of payments - simple outline*

On completion a student should, from given data, be able to:

- Draft a simple budget
- Identify a surplus or deficit
- Identify on a map sources/destinations of Ireland's main exports/imports
- Identify the member states of the EC, their language and currency
- Identify the currencies of other main markets
- Convert one currency into another currency

Business Background

The student is introduced to the general background and structure of business nationally, and, to commercial services available to business.

Forms of business

- Sole trader
- Private limited company
- Co-operative
- State ownership

The private company

- Formation procedure (outline)
- Incorporation
- Limited liability

On completion the student should, from given data, be able to:

- Identify forms of ownership
- Recommend forms of ownership

The student should also be able to research and compare forms of ownership in their locality.

Services to business*

The student is introduced to services available to business. This section also involves an informal introduction to the balance sheet.

Finance

- Financial institutions
- Cash flow
- Types of finance
- Relative costs of finance
- Importance of security/collateral
- Appropriateness/suitability of finance

Commercial banks

- Financial services
- Money transfer facilities
- Procedure for opening accounts
- Operating accounts

Insurance

- Need for insurance
- Major types of insurance

Communications

- Internal/external
- Modern developments
- Telecom

On completion the student should, from given data, be able to:

- Prepare a simple business plan including
 - cash flow
 - costings
 - identification of markets
- Identify suitable sources of finance
- Prepare and present a loan application (oral and written)
- Calculate the cost of a loan
- Compare costs of finance
- Identify insurance requirements
- Recommend a form of communications
- Record essential data

At Work

The student is introduced to the chain of production and to the people who work in the chain including industrial relations.

The chain of production

- Primary production
- Manufacturing/processing
- Service industry
- Channels of distribution
- Modern developments in retailing

People at work

- Employment
- Work v/employment
- Nature and extent of employment
- Self-employment, risks and rewards
- Organisation of the workplace
- Types of jobs and jobskills
- Introduction to rights and responsibilities of an employee

Being an employer

- Introduction to rights and responsibilities
- Procedure for employing staff
- Gross wages; time and piece rates; commission; overtime
- Net wages; types of and reasons for statutory deductions
- Importance of employee records

Industrial relations

- A simple introduction to include
 - Trade Unions role
 - Management role
 - Dispute
 - Resolution of a dispute by a third party, e.g. conciliation, arbitration, Labour Court

On completion the student should, from given data, be able to:

- Identify different units in the chain of production
- Distinguish between different types of retailing
- Match names to jobs
- Draw a simple organisation chart for a business
- Calculate gross wages bill for a small business
- Complete a wages slip
- Identify steps in the resolution of an industrial dispute

The student should also be able to carry out relevant projects including simple surveys at local level.

SECTION THREE: ENTERPRISE (i)

The Business Unit

The student is introduced to the operation of formal double-entry accounting, beginning with a private limited company.

- Private limited company
- Formation procedure*
- Incorporation*
- Limited liability
- Terms used
 - capital
 - ordinary share capital
 - loan capital
- Purpose of financial recording and filing
- Assets and liabilities, fixed and current
- The balance sheet
- Operating the ledger
- Simple control accounts*
- Checking accuracy
- Trial balance
- Purpose of a trial balance

On completion students should be able to:

- Differentiate between assets and liabilities
- Construct a simple company balance sheet
- Record changes in assets and liabilities through ledger account*
- Interpret a ledger entry*
- Extract a trial balance

Marketing and Distribution

The student is introduced to simple market research, identification of a market, to the purchase and sale of goods, and, to working out the level of gross profit (or loss!).

Marketing

- Types of market
- Market research - an introduction
- Product development
- Advertising
- Promotions and public relations
- Selling techniques
 - branding
 - special offers
 - loss leaders
- Export markets/import substitution

On completion students should be able to:

- Identify target markets from given data
- Suggest suitable sources of information on the market
- Carry out simple research projects on markets and marketing
- Select an appropriate method for promoting a product or service from given data

Delivery systems

Importance of transport in the chain of distribution
Modern developments in delivery systems
Factors affecting choice of delivery systems

On completion students should, from given data, be able to:

Select an appropriate delivery system, giving reasons
Calculate delivery times
Calculate cost of delivery

Purchases and sales

Effective purchasing
Sources of supply
VAT
Simple terms of trade
Documents used in purchasing
Stock control*
Finance for purchase
Method of payment

Sales procedure from receipt of order
Checking credit rating of customers
Stock control*
Method of payment

Computerised stock control

Upon completion students should be able to:

Complete or interpret the following documents (including VAT)

- letter of enquiry
- quotation
- order form
- invoice
- debt/credit notes
- delivery docket
- statement of account

File documents
Record data in accounts from source documents

Compose a reply to queries - tracing a transaction to its origin through documents and accounts*

Calculate mark-up and margin*

The trading account

- Purpose of the trading account
- The trading period
- Net sales/net purchases
- Trading and non-trading stock
- Stocktaking*
 - purpose
 - procedure
 - valuation of stock
- Cost of goods sold
- Gross profit/loss

On completion students should be able to:

- Present appropriate (simple) reports on stock and stocktaking*
- Record stock in accounts
- Calculate closing stock as per accounts*
- Operate the trading account in accordance with conventions of double entry*
- Prepare a trading account from given data
- Interpret information presented in a trading account*
- Calculate gross profit percentage.

ENTERPRISE (ii)

Net Profit or Loss

The student now deals with the main overheads incurred by business leading to the preparation of the profit and loss account.

Business overheads

Nature of overheads:

- lighting and heating
- rent and rates
- insurance
- loan interest
- advertising
- telephone

Monitoring overheads*

Upon completion students should be able to:

- Record overheads in accounts
- Check invoices, statements, cash dockets and vouchers
- Classify and maintain *analysed* cash books
- Extract a trial balance

The profit and loss account

- Purpose of the profit and loss account
- Distinction between the profit and loss account and the trading account
- Capital and revenue expenditure*

- Selling expenses
- Net profit/loss

On completion students should be able to:

- Operate the profit and loss account in accordance with conventions of double entry*
- Prepare a profit and loss account from given data
- Interpret data presented in profit and loss account form*
- Calculate net profit percentage

The profit and loss appropriation account

- Purpose of the profit and loss appropriation account
- Ordinary share dividend
- Retained earnings

On completion students should be able to:

- Calculate dividends from given data*
- Prepare a profit and loss appropriation account
- Interpret data presented in a profit and loss appropriation account*

The balance sheet

In preparing the balance sheet the student is given the opportunity to review the following: the trial balance, simple control accounts, final accounts and the functions of each.

- The uses and limitations of a trial balance*
- Function of control accounts*
- Modern layout of the balance sheet
- Purpose of sub-divisions in the balance sheet
- Working capital, capital employed

On completion students should be able to:

- Prepare final accounts from given data with balance sheet
- Interpret information presented in balance sheet form.

Adjustment*

Nature of the following adjustment:

- prepayments, accruals
- bad debts
- depreciation (straight line only)
- stocks

Procedure for dealing with account adjustments

On completion students should be able to:

- Calculate adjustments
- Calculate depreciation using straight line method
- Record adjustments in accounts

REPORTING ON ACCOUNTS

Having completed the preparation of final accounts the student is now introduced to the analysis of this information and the compiling of reports thereon.

Assessing the business - its financial state and viability

- Overtrading
- Profitability, profitability ratios
- Liquidity, liquidity ratios
- Solvency
- Limitations of final accounts in assessing a business

On completion students should be able to:

- Interpret and compare final accounts
- Interpret and compare ratios
- Select and calculate relevant ratios
- Compile a report (in simple form) on final accounts and balance sheet together with valid recommendations

Club accounts

The purpose of financial recording and filing
The role of club treasurer
Receipts and payments account
Income and expenditure account
Treasurer's report
 purpose
 format

On completion students should, from given data, be able to:

Prepare an analysed receipts and payments account
Prepare an income and expenditure account (incorporating
 adjustment*)" "
Prepare a balance sheet
Present a simple treasurer's report

Farm accounts

The purpose of farm accounts
The use of analysed farm accounts

On completion students should be able to:

Prepare simple accounts from given data
Prepare a simple report on farm accounts

Service firms

Analysed cash accounts
Final accounts for a service firm

On completion students should be able to:

Prepare analysed cash accounts from given data
Prepare final accounts from given data together with a
 balance sheet

Presentation of ledger accounts*

T account and continuous presentation

On completion students should be able to:

Convert accounts from T account to continuous and vice-versa
Prepare accounts using a continuous presentation

SECTION FOUR : INFORMATION TECHNOLOGY

Although included in the syllabus under a separate heading It is expected that students will be made familiar with information technology throughout the course, and be given the experience of operating it.

Students should be trained in correct keyboarding techniques with emphasis on accuracy.

Modern information technology

Storage, retrieval and transmission of data

Use in

business

communication

homes

banks

Keyboard layout

Correct use of keyboard

Techniques of proofreading

Self-assessment of keyboarding skills

Simple accounts on computer

Having completed the course a student should be able to:

Identify parts of the machine

Use a keyboard effectively and accurately^o

Operate effectively a system of computerised accounts^o

^oThe assessment procedures will take into account that not 811 students may have access to the equipment required to complete the practical components of this section.

4 . ASSESSMENTT

- 4.1 Business Studies will be assessed at the two levels, Ordinary and Higher. At both levels, assessment will be by terminal written examination.

Provision will be made for an optional element of school-based assessment for those schools which wish to avail themselves of the option.

The format of the examination papers and the types of question will be related to the assessment objectives set out in this syllabus.

The assessment procedures will take into account that not all students may have access to the equipment required to complete the practical components of the information technology section.

4.2 Assessment objectives - Higher Level

On completion students should be able to:

- 4.2.1 Recall a knowledge of syllabus content
- 4.2.2 Demonstrate ability to apply this knowledge to given situations
- 4.2.3 Demonstrate an understanding of terminology and vocabulary central to the syllabus
- 4.2.4 Display a basic level of numeracy skills in calculations based on commercial principles
- 4.2.5 Explain, interpret or illustrate data in a variety of forms
- 4.2.6 Display an appropriate level of communication skills to cope with everyday business
- 4.2.7 Apply accounting principles to the solution of given problems
- 4.2.8 Interpret and analyse given data in order to:
- predict likely outcomes of given situations
 - recommend appropriate actions
 - make evaluative Judgements
- 4.2.9 Demonstrate an ability to use a keyboard effectively and accurately
- 4.2.10 Display an appropriate level of research skills for the completion of simple assignments

4.3 Assessment objectives - Ordinary Level

On completion of the syllabus students should be able to:

- 4.3.1 Recall, in simple language, knowledge of specified syllabus content

- 4.3.2 Demonstrate some ability to apply this knowledge to given situations
- 4.3.3 Demonstrate a familiarity with essential terminology and vocabulary central to specified areas of the syllabus
- 4.3.4 Display a basic level of numeracy skills in calculations based on commercial principles
- 4.3.5 Explain or illustrate simple data in a variety of forms including pictorial, account, numerical, literary or diagram form
- 4.3.6 Display simple communication skills to cope with the requirements of specified areas of the syllabus
- 4.3.7 Apply accounting principles to the solution of given problems in specified areas

Assessment of Ordinary Level students will focus mainly on their ability to maintain receipts and payments accounts with related analysis. The operation of an accounting system in accordance with the conventions of the double-entry system will be assessed only at Higher Level.

Ordinary Level students' accounting skills will be assessed on their ability to:

- (a) write up analysed receipts and payments accounts
- (b) display some understanding of the relationship between entries in the account and related documents e.g. receipts, vouchers, cheque counterfoils, lodgement forms
- (c) prepare a simple trading account, profit and loss account and balance sheet
- (d) prepare an income and expenditure account and balance sheet of a club

- 4.3.8 Interpret and analyse, at this level, given data in order to:
 - predict likely outcomes of given situations
 - recommend appropriate actions
 - make evaluative judgements
- 4.3.9 Demonstrate an ability to use a keyboard effectively and accurately
- 4.3.10 Display basic research skills for the completion of simple assignments