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92031



Draw a cross through the box (☒) if you have NOT written in this booklet

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Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

Level 1 Commerce 2025

92031 Demonstrate understanding of the financial viability of an organisation

Credits: Five

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of the financial viability of an organisation.	Examine the financial viability of an organisation.	Evaluate the financial viability of an organisation.

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

You should attempt ALL parts of the question in this booklet.

Pull out Resource Booklet 92031R from the centre of this booklet.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–8 in the correct order and that none of these pages is blank.

Do not write in the margins (//////). This area will be cut off when the booklet is marked.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

Achievement

TOTAL 04

Page 1

Make sure you have the paper Resource booklet 92031R.

Using the case study in the resource booklet OR an organisation you have studied in class, answer all parts of the question that follows.

Select ONE option below:

- I am using the case study in the resource booklet (go to question).
- I am using an organisation I have studied in class (complete the section below).



Background information

Complete this section ONLY if you are using an organisation you have studied in class. DO NOT complete this section if you are using the case study in the resource booklet.

Note: this section is not marked and should be brief.

Provide background information about your chosen organisation, including all of the following:

- the organisation's name
- a brief description including the goods / services it provides, sources of income, ownership, structure, size, and location
- the organisation's pūtake.

B I U   ↶ ↷ 🌐

QUESTION

Select ONE factor that could affect the organisation's financial viability. Use the factor in your answer to the question that follows:

- A competitor decreases its prices.
- A six-month delay in supplies arriving from overseas.
- A local bank reduces business loan interest rates from 6% to 4.5%.
- The IT system is hacked, and scammers gain access to customers' personal information.

(a) Explain how the factor affects the financial viability of the organisation. Use a relevant concept or model to support your answer.

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The effect this would have on the financial viability is if the IT system is hacked , and scammers gain access to the customers' personal information they might lose trust in the business and go else where like a competitor and it would start to decrease their demand and sales along with their net profit making it harder to build trust again.

(b) Describe the effects of the factor on the organisation's pūtake.

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The effect this would have on the putake is that if the customers don't trust them with their personal information they will lose that relationship with the community.

(c) (i) Explain ONE action the organisation could take to sustain financial viability in response to the effects of the factor.

B I U   ↶ ↷ ?

One action the organization could take to sustain financial viability in response would be to upgrade their software safety protocols and get better IT to protect their customers personal information.

(ii) Describe the effects of the action on the organisation's pūtake.

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the effect this would have on the putake is that they might have to increase prices to afford better IT going against their affordable pricing for young people.

(iii) Evaluate TWO positive consequences of the action. Consequences can be long and / or short term. Use a relevant model or concept to support your answer.

B I U   ↶ ↷ ?

Two positive effects this has on the company is that if they upgrade their IT they can advertise that they have great IT bringing in more and or new customers increase demand and sales another positive effect this has on the business is that they will be better at running their online stuff pushing out their businesses to new customer.

(iv) Evaluate TWO negative consequences of the action. Consequences can be long and / or short term. Use a relevant model or concept to support your answer.

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Two negative consequences that could effect the company is that it could happen again and then they would have to pay even ore to get better IT losing more customers and having to increase their prices on the houses making it no longer affordable. another negative effect this could have on the company is that if they increase prices of their houses it would be harder to find young couples that are just first time home buyers to buy their houses leading to a decrease in demand.

(d) (i) Explain ONE other action the organisation could take to sustain financial viability in response to the effects of the factor.

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The organization could also apologies publicly to try and keep their customers and find a way to get the customers information back

(ii) Describe the effects of the action on the organisation's pütake.

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it would stay true their putake of trying to keep and develop effective relationships between their customer community.

(iii) Evaluate TWO positive consequences of the action. Consequences can be long and / or short term. Use a relevant model or concept to support your answer.

B I U   ↶ ↷ 🗑️

(iv) Evaluate TWO negative consequences of the action. Consequences can be long and / or short term. Use a relevant model or concept to support your answer.

B I U   ↶ ↷ 🗑️

Achievement

Subject: Commerce

Standard: 92031

Total score: 04

Q	Grade score	Marker commentary
One	A4	<p>The candidate described how the chosen factor affects financial viability. There was some reference to a model / concept – a decrease in demand and therefore decrease in sales and net profit.</p> <p>The candidate also described:</p> <ul style="list-style-type: none">• the effect on the organisation’s Pūtake• two actions that the organisation could take to improve financial viability. <p>To improve, there needed to be more explicit reference to the model, for example naming the income statement, and the actions taken to improve financial viability needed more explanation.</p>