

92031



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

## SAMPLE ASSESSMENT

| 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. |

The resource material below and on page 3 will be provided in a separate resource booklet.

## INSTRUCTIONS

Use the case study below and on page 3 OR an organisation that you have studied in class to answer the question that starts on page 4.

## CASE STUDY

### Plan my Dinners

*Plan my Dinners* is a meal subscription service that emails five dinner recipes to customers each week. It differs from other meal subscription services as the customers must buy the ingredients themselves, rather than have the food box delivered to their door.

*Plan my Dinners* is considerably cheaper than other services at \$9 a week, compared to around \$100 for the meal subscription boxes. *Plan my Dinners* pūtake is to support busy, time-poor families by removing the stress of deciding what to eat for dinner.

*Plan my Dinners* is owned by two friends, Rachel and Jess, who have built up a collection of affordable, easy recipes that satisfy their fussy-eating families. Rachel and Jess invested \$25 000 each to start the business, which included setting up the website, completing market research, and initial marketing of the business. They withdraw \$400 a week each as compensation for their time and skills.

The small business was only established six months ago, but is already proving popular, and 200 customers have signed up as regulars for the weekly service. *Plan my Dinners* provides standard family meal recipes, such as lasagna and one pot dinners, but customers have been requesting vegetarian and gluten-free options, so Rachel and Jess are looking to expand the range of recipes to increase their market size.

### Financial and non-financial information

#### SWOT analysis for *Plan my Dinners*

| Strengths   | Weaknesses   |
|---|--|
| <ul style="list-style-type: none"> <li>Affordable meal planning for busy families</li> <li>Cheaper than standard boxes</li> <li>Low setup costs and ongoing expenses</li> </ul> | <ul style="list-style-type: none"> <li>Customers still need to purchase the ingredients to make the meals</li> <li>Customers may not like the meals and choose to unsubscribe</li> </ul>                         |
| Opportunities   | Threats  |
| <ul style="list-style-type: none"> <li>Increase market size by offering gluten-free and vegetarian options</li> <li>Offer a loyalty programme</li> </ul>                        | <ul style="list-style-type: none"> <li>New competitors entering the market</li> <li>Technology problems, e.g. customers may not receive their emails</li> <li>People could use AI to get free recipes</li> </ul> |

***Plan my Dinners***  
**Income Statement for the period 1 January 2025 to 30 June 2025**

|  | \$    | \$            |
|--|-------|---------------|
| <b>Income</b>  |       |               |
| Subscription sales (200 customers × \$9 per week × 26 weeks)   |       | <u>46 800</u> |
|  |       |               |
| <b>Less expenses</b>   |       |               |
| Website charge (\$10 per week × 26 weeks)  | 260   |               |
| Internet fee (\$25 per week × 26 weeks)  | 650   |               |
| Ingredients for meals (\$200 per week × 26 weeks)  | 5 200 |               |
| Electricity (\$60 per week × 26 weeks)   | 1 560 |               |
| Administrative costs (\$100 per week × 26 weeks)   | 2 600 |               |
| Advertising and marketing costs (\$130 per week × 26 weeks)  | 3 380 |               |
| <b>Total expenses</b>  |       | <u>13 650</u> |
| <b>Profit</b>  |       | <u>33 150</u> |
| <p><b>Note:</b> Rachel and Jess are withdrawing \$400 a week each as compensation for their time and skills. This is not shown in the income statement.</p> <p>The expenses above are assumed to be fixed costs.</p> |       |               |

**Break-even point for *Plan my Dinners***

Based on the first six months, Rachel and Jess have calculated that the break-even point is:  
59 units per week

The break-even point is calculated using the formula:

$$\frac{\text{Fixed costs}}{(\text{Selling price per unit} - \text{variable costs per unit})}$$

**QUESTION****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 provided on pages 2 and 3.

*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.

---

---

---

---

---

---

---

---

---

---

Using the case study on pages 2 and 3 or an organisation you have studied in class, answer the question that follows.

Select (✓) ONE factor that could affect the organisation's financial viability.

- ☐ A popular social influencer promotes the product online
- ☐ Increase in the cost of production

(a) Explain how the factor affects the financial viability of the organisation.

*Please turn over ➤*



- (d) Evaluate ONE positive consequence of the action. Include relevant concepts or models to support your answer.

---

---

---

---

---

---

---

---

---

---

- (e) Evaluate ONE negative consequence of the action. Include relevant concepts or models to support your answer.

---

---

---

---

---

---

---

---

---

---

Extra space if required.  
Write the question number(s) if applicable.

QUESTION  
NUMBER

92031