

This assessment report is based on assessments for 2023. It may not reflect achievement standards that have been updated.

## 2023 NCEA Assessment Report

<b>Subject:</b>	Commerce (RAS)
<b>Level:</b>	Level 1
<b>Achievement standard(s):</b>	92030, 92031

### General commentary

These assessments were completed as part of the pilot programme for Commerce in 2023. There were two assessments: 92030 – an end-of-year examination, and 92031 – a digital report submitted by late October.

Candidates were most successful when they applied important commerce concepts. They did this by relating the concepts to the relevant organisations involved, using appropriate financial models, and analysing both positive and negative consequences of decisions made.

### Report on individual achievement standard(s)

#### **Achievement standard 92030: Demonstrate understanding of how interdependent financial relationships are affected by an event.**

##### Assessment

Candidates were provided with a case study about the event. This was a roading contracting business gaining a Government contract to rebuild roads in the Hawkes Bay region that included different participants.

Candidates were required to:

- describe the interdependent financial relationships between various participants
- describe the direct effect of gaining the contract on the roading contractor
- explain the flow-on effects on various participants and how these impacted the interdependent financial relationships
- identify relevant decisions that tourism operators in the Hawkes Bay area and the Government could make based on the flow-on effects
- explain positive and negative consequences of these decisions on various participants in the case study.

The examination consisted of one structured question with parts and sub-parts.

##### Commentary

Understanding the case study was paramount to recognising that the flow-on effects related to when the roading work had been completed, not during the road being constructed. Most candidates demonstrated that they understood the case study.

It is important to understand the difference between a direct effect and a flow-on effect as defined in the standard. Some candidates' responses suggested that they did not understand this difference.

## Grade awarding

Candidates who were awarded **Achievement** commonly:

- described the financial interdependence between two groups by describing how each group relies on the other
- described a direct effect of the Government contract on the roading contractor in terms of a change in income / revenue or profit.

Candidates who were awarded **Achievement with Merit** commonly:

- explained flow-on effects to different groups as a result of the Government awarding the roading contract
- explained the impacts of a flow-on effect on the interdependent financial relationship between two groups.

Candidates who were awarded **Achievement with Excellence** commonly:

- identified appropriate decisions tourist operators and / or Government could make
- explained both positive and negative consequences on other specific groups within the case study.

Candidates who were awarded **Not Achieved** commonly:

- did not describe the financial interdependence between two groups by describing how each group relies on the other and often only cited a one-way reliance
- did not describe a direct effect of the Government contract on the roading contractor and did not refer to any change to the roading contractor's income / revenue or profit.

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### **Achievement standard 92031: Demonstrate understanding of how an organisation's financial viability is affected by an event.**

#### Assessment

This was a digital submission. Candidates chose an organisation they had studied in class and produced a report that showed the effects of an event on its financial viability. One week before the assessment, candidates were provided with four different events that they could choose from. Candidates could use a two-page document with information about their organisation, that they produced in advance, to help them to write the report.

The assessment was in two parts: Section A, which was not marked, provided information to the markers about the organisation and Section B, which was the body of the report and was marked. Candidates were provided with bullet points to cover in their report. The suggested word count was 800 words, but this was not strictly enforced by the markers.

Overall, the assessment enabled candidates to display their understanding of financial viability and the impacts an external event could have on the organisation.

## Commentary

The majority of candidates used the same external business that they had studied in class. Some candidates used their own business that they had created for school market days.

An important aspect of the standard is the use of economic / financial models. Income statements were used most. The supply / demand model, balance sheets, and break even analysis were also used. A small number of candidates tried to use strengths, weaknesses, opportunities, and threats (SWOT) analysis. However, they did not adequately discuss financial viability and the impact of the event using this approach.

Discussion of pūtake is an integral component of this assessment, and discussion of the impact of the event on the pūtake is required for candidates to achieve in this standard. A large number of candidates did not spell pūtake correctly, often not including the macron above the u. Pūtake or puutake are acceptable, but putake is not.

The assessment was less structured (using bullet points to show what needed to be covered), compared to formal exam style questions and some candidates missed out sections of work or did not provide responses relevant to the bullet points.

## Grade awarding

Candidates who were awarded **Achievement** commonly:

- used at least one appropriate financial / economic model to explain the current financial viability
- discussed the impact on the pūtake of the organisation
- used correct business / financial terminology.

Candidates who were awarded **Achievement with Merit** commonly:

- linked at least one impact of the event to financial viability
- provided decisions relevant for the organisation
- used at least one appropriate financial / economic model to explain the impact on financial viability.

Candidates who were awarded **Achievement with Excellence** commonly:

- provided both positive and negative consequences of possible decisions
- compared the chosen decision with at least one other decision
- linked the chosen decision to the pūtake of the organisation
- used at least one appropriate financial / economic model to explain the chosen decision.

Candidates who were awarded **Not Achieved** commonly:

- did not discuss financial viability
- did not link the impact of event to the pūtake
- used models that did not link to financial viability
- did not follow the instructions about what to include in their report.