

External Assessment 2025

BUSINESS STUDIES

BST315116

Pages: 20

Questions: 12

Answer Booklets: 3

Stimulus Booklet: 1

Information Sheet: 1

Preparation time for this exam: 15 minutes

Suggested working time: 3 hours

Instructions:

- There are **three (3)** sections to this exam paper:
 - **Section A** – answer **four (4)** questions and **all** items within each question
 - **Part 1:** Unit 1 – The Business Environment – answer **two (2)** questions.
 - **Part 2:** Unit 2 – Operations Management – answer **two (2)** questions.
 - **Section B** – answer **two (2)** questions (refer to the **Stimulus Booklet** provided)
 - **Section C** – answer **one (1)** question (refer to the **Stimulus Booklet** provided).
- Answer each section in the corresponding **Answer Booklet**.
- Answer **all** items within a question.
- It is recommended that you use a calculator.
- You are encouraged to use **diagrams** where relevant.
- The exam is **three (3) hours** in length. The suggested working time is provided in the instructions for each part.
- All answers must be written in **English**.
- You **must** make sure your answers address the listed criteria.

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Guide to Exam Structure

		Parts	Questions available	Questions to answer	Suggested working time	Marks available
Section	A	Part 1	4	2	20 minutes	20 marks and A+ to z rating
		Part 2	4	2	20 minutes	20 marks and A+ to z rating
Section	B		3	2	70 minutes	70 marks
Section	C		1	1	70 minutes	70 marks
Totals			12	7	180 minutes (3 hours)	180 marks and A+ to z rating

Criteria

You **must** make sure your answers address:

- Criterion 1 describe and use business terms, concepts, principles and ideas related to the management of business in Australia
- Criterion 2 use tools, techniques and processes to assess data and information about business performance
- Criterion 3 analyse issues arising from business practices and management strategies
- Criterion 4 make recommendations to improve management practices and business performance
- Criterion 5 communicate business ideas and information.

Section A

- Answer **four (4)** questions in total comprising:
 - Part 1: Unit 1** – The Business Environment: answer **two (2)** questions
 - Part 2: Unit 2** – Operations Management: answer **two (2)** questions.
 - Use **Section A Answer Booklet** for this section.
 - Make sure you answer **all items** within a question.
 - The suggested working time for this section is **approximately 40 minutes**.
 - Each question is worth a **total of 10 marks** (4 x 10 = 40 marks)
 - This section assesses **Criteria 1** and **5**.
-

Part 1: Unit 1 – The Business Environment

- Answer **two (2)** questions from this unit.
-

Question 1

A business can be classified in many ways including by industry sector or legal structure.

- In relation to industry sector, distinguish between **primary** industry and **secondary** industry, using **one (1)** example of each.
- In relation to legal structure, explain **two (2)** advantages and **one (1)** disadvantage a business owner may have when choosing an **unincorporated** structure, rather than an incorporated structure.

(4 + 6 = 10 marks)

Question 2

There are several stakeholders in the internal and external business environment.

- Explain how **two (2)** stakeholders of a business affect a business's performance.
- Using an example, assess how a business might have competing goals, depending on which stakeholder's interests they are aiming to satisfy.

(4 + 6 = 10 marks)

Part 1: Unit 1 – The Business Environment continues

Part 1: Unit 1 – The Business Environment continued

Question 3

The business environment is influenced by both **internal** and **external** factors.

- a) Explain any **two (2) internal** factors.
- b) Assess how a business might be impacted by any **two (2) external** factors.

(4 + 6 = 10 marks)

Question 4

- a) Explain the business concept of corporate social responsibility (CSR).
- b) Having a focus on CSR can have both costs and benefits. Assess **one (1) cost** and **two (2) benefits** of CSR in relation to a business achieving its financial goals.

(4 + 6 = 10 marks)

Part 2: Unit 2 – Operations Management

- Answer **two (2)** questions from this unit.
-

Question 5

- a) Distinguish between operational decisions and strategic decisions in operations management.
- b) Explain **two (2)** risks and **one (1)** benefit of the decision to adopt leading edge technology.

(4 + 6 = 10 marks)

Question 6

- a) Explain **two (2)** ways a competitive advantage can be gained in operations management.
- b) Using an example, explain how a competitive advantage can be used to achieve business goals.

(4 + 6 = 10 marks)

Question 7

- a) Explain the term just-in-time (JIT) processing in operations management.
- b) Discuss **two (2)** advantages and **one (1)** disadvantage of adopting JIT processing.

(4 + 6 = 10 marks)

Question 8

- a) Explain what is meant by outsourcing in operations management, including **one (1)** reason why a business might choose to outsource aspects of its operations.
- b) Describe **one (1)** ethical and **one (1)** environmental issue that may arise when outsourcing to offshore businesses.

(4 + 6 = 10 marks)

Exam continues over the page

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Section B

- Answer **two (2)** questions in total comprising:
Either Question **9 and 10**
OR Question **10 and 11**
OR Question **9 and 11**.
 - In your answers refer to the **Stimulus Booklet** provided.
 - Use **Section B Answer Booklet** for this section and record the question numbers you choose to answer.
 - Make sure you answer **all items** within a question.
 - The suggested working time for this section is **approximately 70 minutes**.
 - Each question is worth **35 marks** (2 x 35 = 70 marks).
 - This section assesses **Criteria 3 and 4**.
-

Question 9 – Operations Management

Items a) to d) assess **Criterion 3**

- a) Explain **two (2)** ways business performance might be affected if *Bear All Designs* decide to source its product from an overseas supplier, rather than the Australian supplier it is currently using.
- (4 marks)
- b) Evaluate the impact that sourcing from an overseas supplier will have on **two (2)** stakeholders of *Bear All Designs*. Clearly identify each stakeholder you have chosen.
- (4 marks)
- c) *Bear All Designs* is considering expanding its operations. Analyse **one (1)** issue that could arise in relation to each of the following:
- i. scheduling
 - ii. inventory control.
- (6 marks)
- d) Critically analyse how an increased scale of production might enable *Bear All Designs* to gain a competitive advantage while still ensuring a quality product.
- (6 marks)

Question 9 continues

Question 9 continued

Items e) to h) assess **Criterion 4**

- e) Imagine the expansion goes ahead. Recommend **one (1)** strategy the business might use to ensure quality assurance in operations. Explain how this will affect business performance in both the short-term and the long-term.

(6 marks)

- f) Explain how corporate social responsibility (CSR) should be considered in the expanded operations of *Bear All Designs*.

(3 marks)

If *Bear All Designs* proceed with the expansion plans, Summer will be the Operations Manager.

- g) Explain **one (1) operational** decision Summer will need to make to ensure efficient and effective conversion of inputs into quality outputs.

(3 marks)

- h) Explain **one (1) strategic** decision Summer will need to make to ensure efficient and effective conversion of inputs into quality outputs.

(3 marks)

Question 10 – Human Resource Management

Items a) to d) assess Criterion 3

In order to build the expanded business, *Bear All Designs* will need to acquire, develop and maintain new staff.

- a) Explain **two (2)** aspects of the acquisition stage that *Bear All Designs* will need to consider prior to employing any new staff.
(4 marks)
- b) Analyse **two (2)** likely impacts on *Bear All Designs*' business performance if they do not attract the right staff.
(4 marks)
- c) Explain **three (3)** costs the business will incur when employing staff.
(6 marks)
- d) The owners of *Bear All Designs* need to determine whether they should use agreements or an existing award when employing new staff. Analyse **two (2)** disadvantages of choosing an agreement rather than an award. Identify and explain how **one (1)** relevant piece of legislation might impact *Bear All Designs*' choice.
(6 marks)

Items e) to h) assess Criterion 4

- e) Recommend **two (2)** development tools that *Bear All Designs* should use so new staff have confidence to perform their role. Clearly identify how each tool would be used. In your answer, explain how this will affect business performance in both the short-term and the long-term.
(6 marks)
- f) Imagine *Bear All Designs* grows to a point where they employ ten staff in various areas of the business. Recommend **one (1)** strategy that *Bear All Designs* could use to ensure diversity and cross-cultural awareness amongst their staff.
(3 marks)

Question 10 continued

- g) Recommend **one (1)** maintenance tool that *Bear All Designs* should use so new staff are committed to their role and to the business's success. In your answer, explain how this will affect business performance.

(3 marks)

- h) If *Bear All Designs* expands production, they will need to purchase industrial-scale machinery and store bulk inks and chemicals. The workplace will be more hazardous than when it was on a smaller scale.

Make a recommendation about **one (1)** workplace health and safety (WH&S) measure that *Bear All Designs* should take. Identify any legislation or additional legal obligations regarding WH&S that will need to be followed.

(3 marks)

Question 11 – Marketing Management

Items a) to d) assess Criterion 3

- a) Analyse **two (2)** impacts on *Bear All Designs'* marketing planning process if they have not established clear marketing objectives.
- (4 marks)
- b) Imagine Charlie Bear is finding it difficult to keep up with customer demand for his designs. He is considering outsourcing some of his designs to an offshore designer but not conveying this to the customers. Critically analyse **one (1)** economic and **one (1)** social impact on the business if *Bear All Designs* uses misleading advertising.
- (4 marks)
- c) *Bear All Designs'* proposed expansion will require a new marketing strategy to increase the volume of sales. Explain **one (1)** issue they will need to consider in each of the following areas of their marketing strategy:
- i. pricing
 - ii. product positioning.
- (6 marks)
- d) Identify and explain how *Bear All Designs'* marketing decisions will be impacted by:
- i. legislation
 - ii. ethical considerations.
- (6 marks)

Question 11 continued

Items e) to h) assess Criterion 4

- e) Recommend **two (2)** market research methods that *Bear All Designs* might use that would help them refine their product. For each method, clearly identify:
- i. how the method would be used
 - ii. any short-term **or** long-term impacts on business performance.
- (6 marks)
- f) Recommend **one (1)** way market segmentation could be used by *Bear All Designs* to continue its growth.
- (3 marks)
- g) Recommend **one (1)** promotion strategy that would help to improve sales at *Bear All Designs*.
- (3 marks)
- h) Formulate **one (1)** strategy to overcome problems from negative social media from students who do not like the artwork designs on their hoodies.
- (3 marks)

Section C

- Answer the question in this section.
 - In your answers refer to the **Stimulus Booklet** provided.
 - Use **Section C Answer Booklet** for this section.
 - Make sure you answer **all items** within the question.
 - The suggested working time for this section is **approximately 70 minutes**.
 - This question is worth **70 marks**.
 - This section assesses **Criteria 2** and **4**.
-

Question 12

Item A – assesses Criterion 2

- a) Using the information provided in the stimulus, complete a SWOT analysis for *Bear All Designs*. Briefly explain **two (2)** strengths, **two (2)** weaknesses, **two (2)** opportunities, and **two (2)** threats.

(8 marks)

Note to student: While the information about the SWOT is fresh in your mind, turn to **page 18** and read **Question 12 Item D part a) and b)**. Write your answers on **page 11** in the **Section C Answer Booklet**. Then you can return to the questions in **Item B** on the next page.

Question 12 continues

Question 12 continued

Item B – assesses Criterion 2

- a) Using the grid provided in the **Section C Answer Booklet**, calculate the following for *Bear All Designs* for 2024/2025. Show all workings.

(NB: some calculations for 2022/2023 and 2023/2024 have been provided.)

- i. Gross Profit Ratio
- ii. Net Profit Ratio
- iii. Rate of Return on Owner's Equity
- iv. Debt to Equity/Gearing Ratio.

(8 marks)

- b) Based on your calculations in **part a) i, ii and iii** and any relevant data in the financial statements provided, analyse the profitability of *Bear All Designs* at the end of the financial year 2024/2025. Compare to the trend data and industry averages provided.

(9 marks)

- c) Based on your calculations in **part a) iv** and any relevant data in the financial statements provided, analyse the financial stability of *Bear All Designs* at the end of the financial year 2024/2025. Compare to the trend data and industry averages provided.

(3 marks)

- d) Analyse **one (1)** way that ratio analysis may be useful for decision-making purposes in *Bear All Designs*.

(2 marks)

- e) Evaluate the data in the Cash Budget, making **two (2)** observations about relevant trends and patterns. Explain **one (1)** potential short-term and **one (1)** potential long-term implication for *Bear All Designs*' business performance.

(6 marks)

Question 12 continued

Item C – assesses Criterion 2

The following information relates to the projected costs of manufacturing a hoodie using the new machinery (STRYKER™ Automatic Oval Screen Printing Press) and the increased cost structure if the business moves into a larger warehouse in Launceston:

Table 1: Direct costs	\$
Wholesale price of plain hoodie	25.00
Heat transfer vinyl/ink	5.00
Packaging (bag, label)	1.50
Labour (casual rate per hour)	40.00

Table 2: Annual costs	\$
Administration costs	3,000
Lease	35,040
Insurance & licences	8,520
Training costs	3,000
Utilities (power & water)	12,000
Marketing & website	9,550
Cleaning costs	5,400
Service & maintenance	6,500
Finance costs	9,300
Delivery costs	3,500

Extra information:

- Hoodies are referred to as 'units'.
- Using the new equipment, one employee can print and package 50 units each hour.
- Casual employees are hired during the manufacturing periods in the lead up to order deliveries and their labour cost is \$40 per hour.

a) Calculate the **total fixed costs** and the **variable costs per unit**.

(1 mark)

b) Calculate the **contribution margin** of each unit if the selling price is \$55 per unit. Show all workings.

(1 mark)

c) Calculate how many units need to be sold each year to break even if the selling price is \$55 per unit. Show all workings.

(2 marks)

Question 12 continues

Question 12 continued

Item C – assesses Criterion 2

- d) If *Bear All Designs* wants to make a profit of \$50,000 per year, calculate how many units will need to be sold.
- (2 marks)
- e) Imagine *Bear All Designs* want to sell 6,000 units in the upcoming year to maximise the capacity of the new printing machinery. They believe they can achieve this if they hire a marketing specialist to bring in new orders. This will cost an additional \$30,000. With all other costs remaining the same as before, and the profit goal of \$50,000 still included, calculate the new selling price per unit that will need to be charged. Show all workings.
- (4 marks)
- f) Analyse **two (2)** ways that break even analysis might benefit *Bear All Designs* as they make decisions about the expanded business.
- (4 marks)

Question 12 continued

Item D – assesses Criterion 4

- a) Explain how *Bear All Designs* might address **one (1)** of the **weaknesses** that was identified in the SWOT table in Item A.
(2 marks)
- b) Explain how *Bear All Designs* might address **one (1)** of the **threats** that was identified in the SWOT table in Item A.
(2 marks)
- c) Recommend **two (2)** strategies that would improve the profitability of *Bear All Designs*. Identify how each strategy will improve business performance.
(4 marks)
- d) *Bear All Designs* is considering expansion into larger premises in Launceston with options to lease or purchase the premises. Both have financial implications. Choose either 'lease' **OR** 'purchase', and then argue **one (1)** reasoned recommendation why this is the most appropriate option for *Bear All Designs*. Consider both the short-term and long-term financial implications of your recommendation.
(6 marks)
- e) Identify why *Bear All Designs* might focus on liquidity as an objective of financial management. Recommend **one (1)** strategy for improving a business's liquidity.
(3 marks)
- f) Assuming the 'Closing cash balance' in the Cash Budget (on page 7 of the Stimulus Booklet) is accurate, recommend **one (1)** source of finance that *Bear All Designs* will need to consider in order to run the expanded business operations between November 2025 and October 2026. Identify the reason the finance is required and the implications on the business's Income Statement and Balance Sheet.
(3 marks)

End of Exam

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BUSINESS STUDIES

BST315116

Pages: 8

Stimulus: 1

STIMULUS BOOKLET

Stimulus for Sections B and C

Background

Charlie Bear finished Year 12 in November 2021 at a school on the east coast of Tasmania. He had been disappointed with his leaver's hoodie because it cost him \$50, the design was boring with no option to customise it, and it faded when he washed it, so he didn't wear it often.

This got him thinking about starting his own leaver's hoodies business that offered an affordable, good quality product with options for artwork designs and lettering for the student's name. An arty kind of guy, Charlie had studied a range of art and design courses during school, and his eye-catching designs had earned him prizes in art competitions around the state. Charlie was keen on using his artistic skills for the hoodie designs.

Charlie worked full time in hospitality during 2022 and saved hard while he researched the startup costs for a small business. He located an online Australian wholesaler of good quality plain hoodies, purchased some printing equipment, and created a logo and website for the business.



First year

Charlie commenced *Bear All Designs* in August 2022 and set up the printing equipment in his parent's garage which he could use for free. In November 2022, he got orders for 2023 from his previous school's Year 12 class, and from one school in Launceston. Cash was collected when the orders were placed to avoid having to chase outstanding debtors. Charlie only bought plain hoodies in navy blue in the number and size that had been ordered so there was no stockpile. He paid cash for the stock. Charlie's parents worked with him when they could, and his friends Huey Lewy and Summer Clarence helped with production for free. Charlie paid careful attention to the production process, ensuring the printing was top quality, and attaching swing tag labels with his logo to each finished product. It was important that delivery to the schools happened in June 2023 so students could wear the hoodies for the remainder of Year 12, and he met this timeframe.

Second year

With the help of free positive social media posts about his affordable, good quality hoodies and eye-catching designs, Charlie received many inquiries from other schools in Launceston during 2023, requesting orders for 2024. He tripled his plain hoodie order from his supplier and all the stock was stored in boxes in the garage and in his bedroom. His parents paid for the order and Charlie paid them back in instalments with earnings from his casual job.

Charlie agreed to contribute to the increased home electricity costs and use of the home internet. Huey and Summer were keen to partner with him and work for an equal share of the annual profits, and they invested \$2,000 each. This allowed the purchase of additional printing equipment to meet the increased demand.

There were constraints on when the orders could be received from schools (usually March/April) and there were tight delivery timeframes (by June/July). This meant the workload was very intense in those months to meet the order deadlines – especially for Charlie who created each school’s designs – but then there was nothing happening in the other months. However, this did allow the trio to keep working their other jobs to ensure a steady stream of income.

Third year:

The 2024/2025 financial year saw previous customers making repeat purchases, plus the addition of more orders from other schools around the state. Due to the rigid constraints around receiving orders, delivery deadlines and the production capacity limitations, some orders had to be turned down. A bulk order of plain hoodies was placed with the supplier who offered them a line of credit for 30 days.

While sales revenue had skyrocketed each year, net profits were not growing at the same rate, so the trio increased the sales price of each hoodie from \$40 to \$45 to accommodate the increases in the cost of the plain hoodies and inks. (See Comparative Income Statements on page 5.)

The trio were so busy with the increased production during April and May that they paid some of their local friends to help with the workload. However, the trio did not have the time to oversee their work properly which led to some products being incorrectly made and having to be redone, adding to the costs of production. Their plain hoodie supplier recently let them know that their prices were going up again. To make matters worse, Charlie’s parents were sick of the noise and smell from the printing production process and tired of having stock stored in various places around the house and wanted them to move operations somewhere else.

What next?

The trio must make some decisions. Some of their ideas for moving forward include:

- expanding to larger premises on the east coast or in Launceston
- purchasing industrial-scale printing machinery to reduce production costs per unit
- increasing hoodie prices to improve profitability
- exploring cheaper hoodie suppliers

What next? (continued)

- investigating further customisation of the product, including more colours and other clothing options
- using an online ordering and payment system built into the business's website to increase efficiencies
- marketing more aggressively to Year 12 leavers across Tasmania
- targeting new markets such as Year 6 leavers, mainland schools, and sports clubs to create year-round revenue.

Any expansion would mean formally employing skilled people in various aspects of the larger scale business to ensure Charlie could focus on the design aspect of production. Summer would oversee printing operations which would include employing one or two people casually at an hourly rate for the busy periods of April/May/June. They would consider full time employment of production staff if the target market expansion went ahead and production became year-round rather than seasonal. Huey would focus on generating new customer sales and would assist in the operations where needed. A full-time person in administration would need to be employed to deal with customer inquiries, paying bills and expanding the website's functionality.

They decide to take some preliminary steps towards expansion. With finances expected to be very tight at the start, the trio agree to only take cash drawings of \$2,000 per month, rather than getting paid a salary. They all agree they will continue to work their other jobs during *Bear All Designs'* off season/slow period for as long as they can manage it in order to supplement their personal incomes. The trio also think they will need to change the business structure from a partnership to a private company to access more finance.

Charlie's parents are willing to loan the business \$20,000 as an interest-free loan for 5 years and are prepared to use their family home as security for any bank loans the business takes out.

The trio have compiled the previous 3 years' financial reports of *Bear All Designs* (see page 5 and 6) and have put together a 12-month Cash Budget from November 2025 to October 2026, based on the assumption of moving operations to Launceston and leasing a warehouse there (see page 7). The trio have come to you for advice on how they should proceed.

Bear All Designs			
Comparative Income Statements for the financial years ended 30 June:			
	2022/2023	2023/2024	2024/2025
	\$	\$	\$
Number of sales (in units)	150	400	1,100
Selling Price per unit	\$40	\$40	\$45
Cost Price per unit from wholesaler	\$15	\$17	\$20
REVENUE			
Sales revenue	6,000	16,000	49,500
Less Cost of Sales (COGS)	2,925	9,200	34,100
Gross Profit	3,075	6,800	15,400
LESS OPERATING EXPENSES			
Printing supplies	600	1,100	3,100
Cleaning costs	100	300	900
Utilities (power and water – home garage)	0	500	500
Internet & design software licence	384	684	700
Wages (friends)		0	3,000
Delivery costs	100	300	900
Equipment maintenance	0	250	400
Public Liability Insurance (home business)	0	480	500
Business & domain name registration	94	94	94
Trademark (of logo & designs)	250		
Total Operating Expenses	1,528	3,708	10,094
NET PROFIT	\$1,547	\$3,092	\$5,306

Bear All Designs
Comparative Balance Sheets as at 30 June

	2023 \$	2024 \$	2025 \$
ASSETS			
Current Assets			
Bank	1,382	710	973
Stock (hoodies, inks, etc)	800	2,427	3,290
Other current assets	515	760	834
Non-Current Assets			
Screen printing press	3,000	5,700	5,800
Other printing equipment	2,350	2,950	3,150
Computer	2,500	2,500	2,500
Total Assets	10,547	15,047	16,547
LIABILITIES			
Total Current Liabilities	0	500	2,000
Total Non-Current Liabilities	0	0	0
Total Liabilities	0	500	2,000
NET ASSETS	10,547	14,547	14,547
OWNER'S EQUITY			
Capital (Charlie)	10,500	10,547	14,547
Additional Capital (Huey & Summer)		4,000	
Add Net Profit	<u>1,547</u>	<u>3,092</u>	<u>5,306</u>
	12,047	17,639	19,853
Less Drawings	<u>1,500</u>	<u>3,092</u>	<u>5,306</u>
TOTAL OWNER'S EQUITY	10,547	14,547	14,547

Bear All Designs						
Cash Budget for the 12 months ending October 31 2026						
	2025 (Nov/Dec)	2026 (Jan/Feb)	2026 (Mar/Apr)	2026 (May/June)	2026 (Jul/Aug)	2026 (Sep/Oct)
EXPECTED CASH INFLOWS	\$	\$	\$	\$	\$	\$
Cash sales: current schools			60,500			
Cash sales: new Yr 12 schools			110,000			
Cash sales: new Yr 6 schools			27,500			
Cash sales: sports clubs						27,500
Cash sales: mainland schools			120,000			
Proceeds: bank loan	50,000					
Proceeds: parent loan	20,000					
Total cash receipts	70,000	0	318,000	0	0	27,500
EXPECTED CASH OUTFLOWS						
Cash purchases of supplies		2,500				12,500
Payments: credit purchases of supplies		50,835	50,835	50,835		
Administration costs	500	500	500	500	500	500
Lease of Launceston premises	5,840	5,840	5,840	5,840	5,840	5,840
Insurances and licences	1,420	1,420	1,420	1,420	1,420	1,420
Wages and salaries	4,585	9,167	14,367	9,167	9,167	9,167
Staff training	1,000	1,000	1,000			
Utilities (power and water)	2,000	2,000	2,000	2,000	2,000	2,000
Marketing	550	2,000	2,000	1,000	1,000	1,000
Cleaning costs	900	900	900	900	900	900
Deposit: Stryker™ Printing Press	7,500					
Payment: Stryker™ Printing Press		22,500				
Equipment freight & installation		4,500				
Equipment maintenance	0	1,300	1,300	1,300	1,300	1,300
Interest and bank fees	50	660	660	660	660	660
Repayment of bank loan		1,190	1,190	1,190	1,190	1,190
Delivery costs			3,000			500
Website upgrade & maintenance	1,000			1,000		
Owner's drawings	12,000	12,000	12,000	12,000	12,000	12,000
Total cash payments	37,345	118,312	97,012	87,812	35,977	48,977
Net cash flow	32,655	-118,312	220,988	-87,812	-35,977	-21,477
Opening cash balance	2,000	34,655	-83,657	137,331	49,519	13,542
Closing cash balance	34,655	-83,657	137,331	49,519	13,542	-7,935

End of Stimulus



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External Assessment 2025

BUSINESS STUDIES

BST315116

Section **A** Answer Booklet

Pages: 12
Questions: 8

- Answer **four (4)** questions in total from this section.
 - **Part 1: Unit 1 – The Business Environment** – answer **two (2)** questions.
 - **Part 2: Unit 2 – Operations Management** – answer **two (2)** questions.

STUDENT: Record the question numbers you are answering from each unit in the table below.

Part 1: UNIT 1			Part 2: UNIT 2		
Student use	Marker use		Student use	Marker use	
Question number answered	C1	/ 10	Question number answered	C1	/ 10
	C5	/ alpha		C5	/ alpha
Question number answered	C1	/ 10	Question number answered	C1	/ 10
	C5	/ alpha		C5	/ alpha

Marker use	
TOTAL C1	/ 40
TOTAL C5	/ alpha

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External Assessment 2025

BUSINESS STUDIES

BST315116

Section **B** Answer Booklet

Pages: 20

Questions: 3

- Answer **two (2)** questions from this section.

STUDENT: Circle the two (2) question numbers you are answering.

Question 9

Question 10

Question 11

Marker use	
TOTAL C3	/ 40
TOTAL C4	/ 30

Blank Page

- Answer **two (2)** questions in total comprising:

Either Question **9 and 10**

OR Question **10 and 11**

OR Question **9 and 11.**

Write the question number you are answering in the box.

Question Number:

Items a) to d) assess **Criterion 3**

a)

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/ 3

Total
C4
/ 15

Write the question number you are answering in the box.

Marker use

Question Number:

Items a) to d) assess **Criterion 3**

a)

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End of Section B Answer Booklet

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BUSINESS STUDIES

BST315116

Section **C** Answer Booklet

Pages: 16

Questions: 1

- Answer **Question 12** in this section.

Marker use	
TOTAL C2	/ 50
TOTAL C4	/ 20

Blank Page

Question 12

Items A, B and C assess Criterion 2

Item A – SWOT

Marker use

/ 8

Strengths	1.....	Weaknesses	1.....
	2.....		2.....
Opportunities	1.....	Threats	1.....
	2.....		2.....

Question 12 continued

Item B

a) Show all workings and calculate to the nearest **two (2)** decimal places.

/ 8

Required	Ratio calculation 2022 / 2023	Ratio calculation 2023 / 2024	Ratio calculation 2024 / 2025	Industry average
Gross Profit Ratio	51.25%	42.50%		50%
Net Profit Ratio	25.78%	19.33%		5%
Rate of Return on Owner's Equity	14.70%	24.64%		10%
Debt to Equity Ratio (Gearing Ratio)	0%	3.44%		30%

c)

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Question 12 continued

Marker use

Item C

a)

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b)

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c)

/2

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Question 12, Item C continued

Marker use

d)
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e)
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Question 12, Item C continued

Marker use

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Total
C2
/50

Question 12 continued

Marker use

Item D – assesses Criterion 4

a)

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End of Section C Answer Booklet

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