EXTRA
EXPERIENCED TEACHER RESOURCES & ASSESSMENTS

Student Name: _____

ACCOUNTING
UNITS 3&4
2021 Trial Examination

Reading time: 15 minutes

Writing time: 2 hours

QUESTION BOOK

Structure of book

Number of questions	*Number of questions to be answered*	*Number ofmarks*
7	7	100

- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers, sharpeners, rulers and one scientific calculator.
- Students are NOT permitted to bring into the examination room: blank sheets of paper and/or correction fluid/tape.

Materials supplied
- Question book of 8 pages
- Answer book of 15 pages

Instructions
- Answer all questions in the answer book.
- All written responses must be in English.

At the end of the examination
- You may keep this question book.

Students are NOT permitted to bring mobile phones and/or any other unauthorised electronic devices into the examination room.

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SAMPLE

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SAMPLE

Instructions

Answer **all** questions in the answer book provided.

Question 1 – Bob's Nuts and Grains (11 marks)

Bob owns and operates a small trading business called Bob's Nuts and Grains selling a variety of nuts and grain by the kilogram (kilo). Most sales are on a cash basis; however, he also offers credit to local businesses. Sales are 80% cash and 20% credit. His accounting system is based on a double-entry accounting recording and reporting and maintains a perpetual inventory system and uses the FIFO cost assignment method. He applies a mark-up of 150% on all inventory purchased.

Balance of almonds at 1 January 2021 – 80 kilos at $5.00 plus GST per kilo

January purchases	
Jan 5	350 kilos at $4.00 plus GST per kilo
Jan 13	150 kilos at $5.00 plus GST per kilo
Jan 22	200 kilos at $4.00 plus GST per kilo
Jan 29	100 kilos at $5.00 plus GST per kilo

Additional Information:

- Quantity as per inventory card 220 kilos
- Quantity as per inventory physical count 200 kilos
- Cash sales for January (not including almonds) $38 525
- Credit sales for January (no almonds were sold on credit) ?

a. **Prepare** the Income Statement up to and including Adjusted Gross Profit for January 2021 4 marks

b. **Calculate** the balance of almonds on hand at 30 January 2021 and **explain** how this item will be classified in the Balance Sheet. 3 marks

c. A friend of Bob's has told him that he should use the Identified Cost assignment method as it provides a more accurate net profit. **Discuss,** this comment in relation to Bob's business. 4 marks

Question 2 – Robert's Electronics (6 marks)

Robert owns and operates Robert's Electronics for the last four years and is very happy with the liquidity of his-business as the working capital ratio is above 1:1. He offers credit terms if 2/7, n/30 to his customers and his supplier's credit terms are n30.

The accountant has provided the owner with the following information.

Indicator	**2020**	**2021**
Working Capital Ratio	2,65:1	3,15:1
Quick Asset Ratio	1:1	0,80:1
Accounts Receivable Turnover	38 days	40 days
Accounts Payable Turnover	25 days	22 days

Using the above information **discuss** the liquidity of the business and **suggest** two strategies that should be implemented on order to improve the firm's cash position.

TURN OVER

SAMPLE

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Student Name: _____

BUSINESS MANAGEMENT
UNITS 3&4
2021 Written Trial Examination

Reading time: 15 minutes

Writing time: 2 hours

QUESTION AND ANSWER BOOK

Structure of book

Section	*Number of questions*	*Number of questions to be answered*	*Number of marks*
A	6	6	50
B	5	5	25
			Total 75

- Students are to write in blue or black pen.
- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers, sharpeners and rulers.
- Students are NOT permitted to bring into the examination room: blank sheets of paper and/or correction fluid/tape.
- No calculator is allowed in this examination.

Materials supplied
- Question and answer book of 15 pages
- Additional space is available at the end of the book if you need extra paper to complete an answer

Instructions
- Write your **student name** in the space provided above on this page.
- All written responses must be in English.

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Question 5 (13 marks)

Nails by Alex is a business that allows customers from all around the world to create custom nails designs online and receive acrylic nails, glue and instructions for application in the mail. With the recent increase in online shopping and the closure of many nail salons in 2020 due to COVID-19, *Nails by Alex* has increased its sales by 120% and is now looking to open a store in the Melbourne suburb of Alphington. To minimize expenses, the business is looking to use an overseas manufacturer for her acrylic nails and glue, rather than her local supplier.

a) Outline **two** elements of the operations system at *Nails by Alex*. 3 mark

b) Evaluate the effect of change on **two** current stakeholders of *Nails by Alex*. Describe **one** Corporate Social Responsibility consideration for each stakeholder. 10 marks

SAMPLE

SAMPLE

SECTION B – Case Study

Instructions for Section B

Use the case study provided to answer the questions in this section. Answers must apply to the case study. Answer **all** questions in the spaces provided.

Recent adaption of flexible work conditions has seen businesses forces rethink their operations in order to survive. Fruity All Year (FAY) Pty Ltd is a business that supplies businesses across three cities with fresh fruit for their employees. FAY were forced to comply with stay-at-home orders issued by the Australian Government during the last 12 months, compelling the business to overhaul its traditional office-based working model for their sales department.

FAY's sales department now has a remote workforce of 23 staff across three cities. In doing so, they had to make redundancies to manage costs, as well as purchase five energy saving laptops and work stations for all employees to ensure the department could still function.

To counter disastrous key performance indicators in 2020, FAY is looking to global opportunities to grow sales.

	2019	**2020**	**2021**
No. of sales ($million)	20.9	13.8	21.2
Rate of Staff Absenteeism (%)	12%	7%	3%
Workplace Accidents	12	2	1
Percentage of Marketshare	16%	15%	18%

With the slow return to office-based working in 2021, FAY surveyed its employees to discover their interest in hybrid workplace environments, where the working week could include flexible work conditions. This could involve both office-based days and working from home days. FAY agreed that it would adjust the workplace arrangements to reflect any changes.

Staff Feedback Survey Data

- 40% of employees stated that they preferred working at home compared to working in the office.
- 65% of employees stated they believed their productivity would increase if they were allowed to work in 'flexible' working situations (both in-office and from-home)
- 56% of employees stated they had searched for employment elsewhere in 2020.
- 79% of employees stated that they felt FAY could have done more to support them throughout the 2020 COVID-19 pandemic

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Student Name: _____

LEGAL STUDIES
UNITS 3&4
2021 Written Trial Examination

Reading time: 15 minutes

Writing time: 2 hours

QUESTION AND ANSWER BOOK

Structure of book

Section	*Number of questions*	*Number of questions to be answered*	*Number of marks*
A	7	7	40
B	3	3	40
			Total 80

- Students are to write in blue or black pen.
- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers, sharpeners and rulers.
- Students are NOT permitted to bring into the examination room: blank sheets of paper and/or correction fluid/tape.
- No calculator is allowed in this examination.

Materials supplied

- Question and answer book of 30 pages
- Additional space is available at the end of the book if you need extra paper to complete an answer.

Instructions

- Write your **student name** in the space provided above on this page.
- All written responses must be in English.

Students are NOT permitted to bring mobile phones and/or any other nauthorized electronic devices into the examination room.

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Question 7 (10 marks)

In June 2020, the *Justice Legislation Amendment Act* was passed by the Victorian Parliament, in response to Victorian Law Reform Commission's (VLRC) *Access to Justice Report.* The report called for improved regulation of representative proceedings, including litigation funding, lifting the ban on contingency fees and a greater case management role for the Victorian Supreme Court.

'The use of the VLRC and representative proceedings will enhance the operation of our legal system'. Critically evaluate this statement.

SAMPLE

END OF SECTION A

TURN OVER

SECTION B

Instructions for Section B

Use stimulus material, where provided, to answer the questions in this section. It is not intended that this material will provide you with all the information to fully answer the questions.
Answer **all** questions in the spaces provided.

Source 1

The following are extracts of Judge Wraight's sentencing remarks in the County Court case *DPP v LEES 2020* (VCC 375).

In January 2019, unlicensed driver, Robert Lees was speeding in a stolen car, when he veered onto the wrong side of the road, seriously injuring two people. In April 2020, after a plea negotiation, Lees entered a plea of guilty, to seven charges. Judge Wraight sentenced Lees to a "maximum of 7 years and 9 months imprisonment".

a) Prosecutor Ms D Piekusis QC, submitted "rather than offer assistance to the victims, Lees grabbed a bag from the boot and fled, shouting "My DNA is all over the car".
b) Mr James Anderson, who was appointed as Lees' Victoria Legal Aid barrister, submitted his client's conduct was "callous", but the offending was "mid-range".
c) Judge Wraight considered matters in mitigation. Lees apologised to the victims reflecting "remorse" and "acceptance of responsibility". Lees' guilty plea "avoided the need for the victims to relive the trauma at trial and has facilitated the course of justice".
d) Judge Wraight remarked, "I have considered 7 victim impact statement detailing ongoing pain and mental anguish. Lees' dysfunctional upbringing "where alcoholism, violence and addiction to drugs since the age of 12, were also considered".
e) Judge Wraight remarked, "I commend the defendant's plea and your commitment during remand to rehabilitate yourself. At the same time, denunciation of your conduct also weighs heavily in my sentencing. You had no regard for the law and put the community at great risk because of your serious offending. Your actions and their consequences are a very important component of the overall assessment of the seriousness of your offending."

SAMPLE

Question 1 (19 marks)

a. Identify the two parties in this case. 2 marks

b. Explain how the purpose of denunciation is achieved in this case. 2 marks

c. Outline the impact of **one** aggravating **or one** mitigating factor in the sentencing of Lees. 3 marks

SAMPLE

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Student Name: _____

ECONOMICS UNITS 3&4

2021 Written Trial Examination

Reading time: 15 minutes

Writing time: 2 hours

QUESTION AND ANSWER BOOK

Structure of book

Section	*Number of questions*	*Number of questions to be answered*	*Number of marks*
A	15	5	15
B	1	1	30
			Total 75

- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers, sharpeners and rulers.
- Students are NOT permitted to bring into the examination room: blank sheets of paper and/or correction fluid/tape.
- No calculator is allowed in this examination.

Materials supplied

- Question and answer book of 24 pages
- Answer sheet for multiple-choice questions
- Additional space is available at the end of the book if you need extra space to complete an answer.

Instructions

- Write your **student number** in the space provided above on this page.
- Check that your **name** and **student number** as printed on your answer sheet for multiple-choice questions are correct, **and** sign your name in the space provided to verify this.
- All written responses must be in English.

At the end of the examination

- Place the answer sheet for multiple-choice questions inside the front cover of this book.
-

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SAMPLE

SECTION A – Multiple Choice

Instructions for Section A

Answer all questions in pencil on the answer sheet provided for multiple-choice questions.
Choose the response that is correct or that best answers the question.
A correct answer scores 1; an incorrect answer scores 0.
Marks will **not** be deducted for incorrect answers.
No marks will be given if more than one answer is completed for any question.

Question 1

Consider the wage price index above. Which of the following situations would best explain the trend in wages growth over the past 2 years?

A. a decrease in the unemployment rate
B. an increase in the underemployment rate
C. a decrease in the participation rate
D. a depreciation of the AUD

Question 2

An appreciation of the Australian dollar is **least likely** to lead which of the following?

A. a decrease in the competitiveness of Australian producers overseas
B. a decrease in the current account surplus
C. the RBA increasing interest rates
D. an increase in import spending by Australians

Question 3

Consider the market for new cars in Australia.

A shift in the demand curve to the right, is likely to cause the largest increase in price if:

A. cars are durable
B. there are many substitutes in the car market
C. a car makes up a large percentage of household income
D. There is no or little space capacity

SAMPLE

SECTION B – Written Responses

Instructions for Section B

Answer **all** questions in the spaces provided.

Question 1 (18 marks)

a. Consider the following market data for bananas:

Price (Per Box)	Quantity Demanded (no. of banana boxes)	Quantity Supplied (no. of banana boxes)
$50	1100	300
$80	800	400
$100	700	500
$125	400	600
$150	50	700
$160	0	750

Using the data above construct a fully labelled demand and supply curve. Ensure all aspects of the graphs are labelled appropriately. 4 marks

b. Assume the price of a substitute product for bananas decreases. Draw this scenario on the graph above (Part A) and ensure all aspects of the graphs are labelled appropriately. 2 marks

SAMPLE

c. Explain how the banana market moves from the original equilibrium (Part A) to the new equilibrium (Part B). 3 marks

d. Select one of the market failures below:

- Asymmetric Information
- Externalities

Explain how this type of mark failure affects the efficiency of resource allocation. 3 marks

SAMPLE

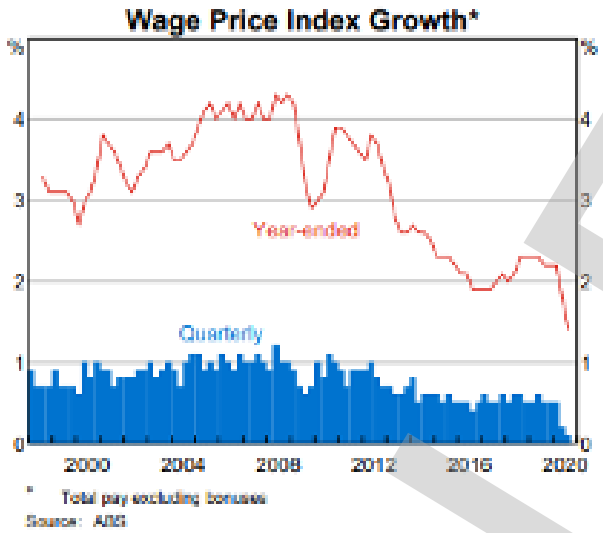
e. Explain how **one** possible government intervention to correct the market failure above (Part D) will increase the efficiency of resource allocation. 3 marks

f. Explain how the intervention from part E **or** one other contemporary example of a government intervention in markets will unintentionally lead to a decrease in the efficiency of resource allocation. 3 marks

SAMPLE

2021 EXTRA Economics Units 3&4 Trial Exam - Sample Solutions

Question 1



Consider the wage price index above. Which of the follow situations would best explain the trend in wages growth over the last 2 years?

a) a decrease in the unemployment rate
b) an increase in the underemployment rate
c) a decrease in the participation rate
d) a depreciation of the AUD

We can see on the graph that the trend in the wage growth is decreasing over the past two years. You need to find the situation which would best explain this. You should go through each possible answer working out whether there is upward or downward pressure on wage growth. The key to understanding how wages rise and fall is demand and supply. Just like any market changes the price of labour is determined by changes in demand and supply so it could also help to draw a D/S Diagram.

a) Incorrect. *A decrease in the unemployment rate would impact the wages in the opposite way to the trend on the graph. A decrease in unemployment actually puts upward pressure on wage growth because there is less 'spare' labour available from the pool of unemployed persons. We could shift the supply curve to the left and see the upward pressure on the price of labour (wages).*

b) Correct. *An increase in the underemployment rate is the correct answer because it indicates that there is spare capacity or 'slack' in the labour market as more people are wanting more hours in their job. The spare capacity in the labour market could lead to a decrease in wages growth because businesses could give their employee extra hours without having to raise wages. You could draw a shift in the supply curve to the right and see that wages/wage growth would fall.*

c) Incorrect. *A decrease in the participation rate would usually put upward pressure on wage growth and lead to a 'tighter' job market. This is because a reduction the labour force size will mean the pool of available labour is smaller leading to shortages and wage pressures. We could shift the supply curve to the left and see the upward pressure on the price of labour (wages).*

d) Incorrect. *A depreciation in the AUD means Australian exports are cheaper for overseas buyers leading to an increase in X, C and AD which would create a derived demand for labour, decrease cyclical unemployment and put upward pressure on wage growth. We could shift the demand curve to the right and see the upward pressure on the price of labour (wages).*

SAMPLE