SUPERVISOR'S USE ONLY

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

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NZQA | Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

Level 1 Commerce 2026

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 this question.

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.

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INSTRUCTIONS

Refer to **Resource Booklet 92031R** when answering all parts of the question in this booklet

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.

QUESTION

Select (✔) ONE factor that could affect the organisation's financial viability. Use the factor in your answer to all parts of the question that follows.

- ☐ The local council removes the parking spaces outside the organisation.
- ☐ A new competitor opens nearby.
- ☐ An increase in living costs leads to a decline in discretionary (available) income for consumers.
- ☐ A 20% increase in the cost of supplies.

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

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

(c) (i) Explain ONE action the organisation could take to respond to the effects of the selected factor on its financial viability.

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

(iii) Evaluate TWO positive consequences of the action. Include a relevant model or concept to support your answer.

(iv) Evaluate TWO negative consequences of the action. Include a relevant model or concept to support your answer.

(d) (i) Explain ANOTHER action the organisation could take to respond to the effects of the selected factor on its financial viability.

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

(iii) Evaluate TWO positive consequences of the action. Include a relevant model or concept to support your answer.

(iv) Evaluate TWO negative consequences of the action. Include a relevant model or concept to support your answer.

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

QUESTION NUMBER