MA99 EDUCATION

Business Studies: Practice Paper 1

01

NSW BUSINESS STUDIES STAGE 6 SYLLABUS 2010 FOR HSC 2028

1. Instructions

A complete Preliminary paper in four sections, the same shape as the HSC examination you will sit in Year 12. Complete it under timed conditions before reading the marking guidance. A paper you have read the answers to has been studied, not attempted.

General instructions

- Reading time: five minutes.
- Working time: three hours.
- Write using black or blue pen.
- Write your Section II answers in the spaces provided. Write your Section III and Section IV answers in a separate writing booklet.
- A calculator may be used.
- Attempt all questions.
- In Questions 21 to 27, show all relevant working in questions involving calculations.

Total marks: 100

Section I, 20 marks. Attempt Questions 1 to 20. Allow about 35 minutes for this section. Section II, 40 marks. Attempt Questions 21 to 27. Allow about 70 minutes for this section. Section III, 20 marks. Attempt Question 28. Allow about 35 minutes for this section. Section IV, 20 marks. Attempt Question 29. Allow about 40 minutes for this section.

The minute figures are this paper's own budget. Three hours for 100 marks is 1.8 minutes a mark; the budget stays close to that and gives Section IV four extra minutes, because there you plan an essay from nothing.



Figure 1 · How the 100 marks are split across the sections. Your time should follow the same split.

Real businesses in this paper

Most questions name a real Australian business: Who Gives A Crap, Guzman y Gomez (GYG), JB Hi-Fi, Dick Smith Electronics or PwC Australia. Every fact about them is dated and sourced in the marking guidance. A stimulus that is not real says so in its first line, and is never a business you can cite.

2. Section I · Multiple choice

Section I

20 marks. Attempt Questions 1 to 20. Allow about 35 minutes for this section. Select the alternative A, B, C or D that best answers the question.

2.1 Section I answer grid

Circle the letter on the question, then copy it here.

Q	1	2	3	4	5	6	7	8	9	10
Q	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**

Question 1

1 MARK

Which of the following is a service rather than a good?

A Tax advice provided by PwC Australia
B A carton of Who Gives A Crap bamboo toilet paper
C A laptop bought at a JB Hi-Fi store
D A pair of running shoes

Question 2

1 MARK

A business owned by two or more people who share its profits and losses, and who are generally each liable for its debts, is best described as a

A Sole trader
B Partnership
C Private company
D Public company

Question 3

1 MARK

Who Gives A Crap sells toilet paper made from 100 per cent recycled paper or bamboo. Turning that paper or bamboo into finished rolls is an activity in which industry sector?

A Primary
B Tertiary
C Quaternary
D Secondary

Question 4

1 MARK

The Australian Bureau of Statistics defines a small business as one that employs

A Fewer than 5 people
B Fewer than 20 people
C 20 to 199 people
D 200 or more people

Question 5

1 MARK

Which of the following was an external influence on Who Gives A Crap?

A Its decision to add bamboo toilet paper to its range
B The location of its head office in Victoria
C Panic buying of toilet paper during COVID-19 in March 2020
D Its practice of quarterly "slow weeks" with no meetings

Question 6

1 MARK

Guzman y Gomez opened its first restaurant in Newtown, Sydney, in October 2006, after 18 months of planning. Opening that restaurant marks the start of which stage of the business life cycle?

A Establishment
B Growth
C Maturity
D Post-maturity

Question 7

1 MARK

After the collapse of Dick Smith Electronics in 2016, its parent company DSHE Holdings Ltd went into liquidation. In a liquidation, the liquidator acts to

A Expand the company into new markets
B Sell the company's assets to pay its creditors
C Increase employee wages
D Launch new products

Question 8

1 MARK

The classical approach sees the main tasks of management as

A Leading, motivating and communicating
B Adapting to changing circumstances
C Building and empowering teams
D Planning, organising and controlling

Question 9

1 MARK

JB Hi-Fi's values include "Respect and Empower": to "empower, support and trust our people" and to "listen openly, and value others' opinions". These values are most closely linked to which approach to management?

A Classical
B Behavioural
C Contingency
D Autocratic

Question 10

1 MARK

Guzman y Gomez reported cash and term deposits of $171 million and no debt at 30 June 2026. Which financial statement shows a business's assets, liabilities and owner's equity at a point in time such as 30 June?

A Income statement
B Cash flow statement
C Balance sheet
D Sales budget

Question 11

1 MARK

Operations, marketing, finance and which other area make up the key business functions?

A Advertising
B Distribution
C Purchasing
D Human resources

Question 12

1 MARK

Identifying the target market and setting the marketing mix are the responsibility of which business function?

A Operations
B Finance
C Marketing
D Human resources

Question 13

1 MARK

Who Gives A Crap began by selling only online, by subscription, then added supermarket shelves such as Whole Foods Market in the United States from April 2024. This decision changed which element of its marketing mix?

A Place
B Product
C Price
D Promotion

Question 14

1 MARK

During COVID-19, JB Hi-Fi said its "flexible model allows management to quickly take appropriate action", including redeploying team members and stock to the stores and categories where demand had risen. This is an example of which approach to management?

A Classical
B Behavioural
C Contingency
D Autocratic

Question 15

1 MARK

The break-even point is the level of output where

A Total revenue equals total cost
B Profit is at its greatest
C Total cost is at its lowest
D Total revenue is zero

Question 16

1 MARK

In 2024 Guzman y Gomez said a new franchised restaurant would cost $1.7 million to $2.0 million to open, including all GYG fees, construction, working capital and training. A person who pays this to open a GYG restaurant is choosing which establishment option?

A Starting a new independent business
B Buying an existing business
C Buying a franchise
D Forming a partnership

Question 17

1 MARK

A SWOT analysis is most commonly used during which part of the planning process?

A Situational analysis
B Forecasting
C Monitoring
D Corrective action

Question 18

1 MARK

Who Gives A Crap was funded for about nine years by crowdfunding and its own earnings before it raised $41.5 million from outside investors in 2021. Which of the following is an internal source of finance?

A The $41.5 million raised from outside investors
B Profits the business kept and reinvested
C A loan used to fund working capital
D Credit given to the business by its suppliers

Question 19

1 MARK

The goods and services tax charged on most goods and services in Australia is

A 5 per cent
B 12 per cent
C 25 per cent
D 10 per cent

Question 20

1 MARK

In FY25 Guzman y Gomez's US restaurants made losses, so it sent experienced Australian operators to the US and added labour hours for training. In May 2026 it closed the US business. In the planning process, both responses are examples of

A Situational analysis
B Forecasting
C Franchising
D Taking corrective action

3. Section II · Short answer

Section II

40 marks. Attempt Questions 21 to 27. Allow about 70 minutes for this section. Answer in the spaces provided. Write in full sentences, use business terminology and show all working for calculations.

Question 21

5 MARKS

(a) Distinguish between a good and a service. (2 marks)

(b) Outline THREE reasons why business is important to society. (3 marks)

Question 22

5 MARKS

(a) Identify TWO internal influences on a business. (2 marks)

(b) Explain how ONE external influence can affect a small to medium enterprise. (3 marks)

Question 23

6 MARKS

(a) Distinguish between the classical and behavioural approaches to management. (4 marks)

(b) Outline ONE benefit of quality management for a business. (2 marks)

Question 24

6 MARKS

(a) Explain the role of the cash flow statement in managing a business. (3 marks)

(b) Describe how a manager can demonstrate ethical business behaviour. (3 marks)

Question 25

6 MARKS

Stimulus · a break-even calculation

The following business is hypothetical. A business has fixed costs of $24,000. It sells its product for $30 a unit. The variable cost is $18 a unit.

(a) Calculate the break-even level of output for the business. Show your working. (2 marks)

(b) Explain why break-even analysis is useful when planning a new business. (4 marks)

Question 26

6 MARKS

(a) Outline THREE personal qualities that can contribute to the success of a person establishing a small to medium enterprise. (3 marks)

(b) Explain ONE way a small to medium enterprise can gain a competitive advantage. (3 marks)

Question 27

6 MARKS

(a) Describe the steps in the business planning process. (4 marks)

(b) Identify TWO sources of finance available to a small to medium enterprise. (2 marks)

4. Section III · Business report

Section III

20 marks. Attempt Question 28. Allow about 35 minutes for this section. Answer in a writing booklet. Your answer will be assessed on how well you apply business knowledge, use the scenario, and present your answer in a report format.

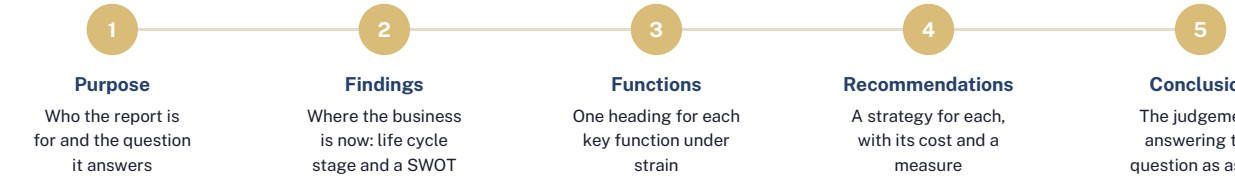


Figure 2 · A business report the marker can follow. Headings carry the structure, the scenario carries the evidence, and the recommendations carry the marks.

Question 28

20 MARKS

Business scenario · bright nook

The following business is hypothetical. Bright Nook is a small homewares and gift shop in a suburban shopping centre. Its owner operates it as a sole trader. The shop has traded for three years and employs six casual staff. Sales grew quickly at first but have been flat over the past year. Two larger competitors have opened nearby and more customers are buying homewares online. Cash is often tight near the end of each month, and several staff have recently left. The owner wants to improve performance and plan for the next stage of the business.

Recommend strategies the owner could use to improve the performance of Bright Nook. In your response, refer to the key business functions and the business planning process. Present your answer in the form of a business report. You may also refer to a real business you have studied, where it helps you support a recommendation.

Write your response in a separate writing booklet.

5. Section IV · Extended response

Section IV

20 marks. Attempt Question 29. Allow about 40 minutes for this section. Answer in a writing booklet. Write about 800 words. Your answer will be assessed on how well you apply business knowledge and terminology, refer to actual businesses, and sustain a judgement.

Question 29

20 MARKS

Assess the role of business in society and its responsibilities to internal and external stakeholders.

Write your response in a separate writing booklet.

The question draws on two topics: the role of business from Nature of business, and the responsibilities of management to stakeholders from Business management. Name a real business in every paragraph.

End of paper.

6. Marking guidance

Complete the paper first, under timed conditions. A generous mark finds nothing.

> Mark Section I first. It takes two minutes and tells you which topic to reread before you mark the rest.

Section I · Answer key

One mark each. The distractors are the errors students actually make, so an item you lost names a distinction you have not yet made.

Q	ANSWER	WHY THE KEY IS RIGHT, AND WHY EACH OF THE OTHER THREE IS NOT
1	A	Advice is an intangible act, used as it is provided and never owned or stored. PwC Australia sells tax, assurance and advisory work (PwC Australia, 1 July 2026). (B) Toilet paper is tangible: you can hold it and store it. (C) The laptop is a good; JB Hi-Fi's retailing around it is a service, but the item asked about is the laptop. (D) Shoes are a good.
2	B	Two or more owners share profits and, generally, unlimited liability. PwC Australia is a real one: its ABN entity type is "Other Partnership" (ABN Lookup, retrieved 2 October 2026). (A) A sole trader has one owner. (C) A private company is a separate legal entity, owned by shareholders with limited liability. (D) A public company can offer its shares to the public, and its shareholders also have limited liability.
3	D	Turning raw materials into finished products is manufacturing, which is the secondary sector. (A) Primary would be growing or harvesting the bamboo. (B) Tertiary is the selling of the finished rolls, online or in supermarkets. (C) Quaternary is knowledge and information services.
4	B	ASBFEO reports that the Australian Bureau of Statistics counts a small business as one with fewer than 20 employees (ASBFEO, August 2025). (A) Five is not the ABS line. (C) 20 to 199 employees is the ABS medium band. (D) 200 or more is large.
5	C	A pandemic, and the panic buying it caused, came from outside the business and could not be controlled by it (Fortune, 18 October 2020). (A) Choosing a product is an internal influence: products. (B) Where the business is located is an internal influence: location. (D) Slow weeks are part of its business culture, which is internal.
6	A	Establishment begins when the business first trades, after the planning. (B) Growth came later: GYG had 12 restaurants by April 2012 (GYG, "About", retrieved 2 October 2026). (C) Maturity is when sales growth slows. (D) Post-maturity follows maturity.
7	B	A liquidator turns the assets into cash and pays creditors in their legal order. At Dick Smith the sale fell far short: creditors were left at least $260 million out of pocket (ABC News, 13 July 2016). (A), (C) and (D) are growth decisions; a company in liquidation is being wound up, not grown.
8	D	Planning, organising and controlling are the classical tasks. (A) Leading, motivating and communicating are the behavioural tasks. (B) Adapting to changing circumstances is the contingency approach. (C) Teams belong to the behavioural approach.
9	B	Trust, empowerment and listening are participative, which is the behavioural approach (JB Hi-Fi Annual Report 2021). (A) Classical management controls from the top. (C) Contingency is adapting to a change; these values are a standing commitment, not a response to an event. (D) Autocratic is the leadership style of the classical approach, with decisions made at the top.
10	C	The balance sheet is a snapshot of assets, liabilities and owner's equity on one date. (A) The income statement reports revenue and expenses over a period. (B) The cash flow statement reports cash in and out over a period. (D) A sales budget is a forecast, not a statement of position.
11	D	The four key functions are operations, marketing, finance and human resources. (A) Advertising is part of promotion, inside marketing. (B) Distribution is part of place, inside marketing. (C) Purchasing is part of operations.
12	C	Marketing decides who the customer is and how to reach them. (A) Operations produces the good or service. (B) Finance manages the money. (D) Human resources manages the people.
13	A	Place is where and how the customer gets the product, so a new channel changes place (Business Wire, 3 December 2024). (B) The product, the same toilet paper, did not change. (C) Nothing is said about price. (D) A new shelf may help promotion, but the decision described is a channel decision.

Q	ANSWER	WHY THE KEY IS RIGHT, AND WHY EACH OF THE OTHER THREE IS NOT
14	C	Changing what management does to suit a new situation is the contingency approach (JB Hi-Fi Annual Report 2021). (A) The classical approach follows fixed plans and controls. (B) The behavioural approach focuses on motivating people; redeploying them to match demand is adaptation. (D) Autocratic is a leadership style, not an approach.
15	A	At break-even there is no profit and no loss. (B) Profit keeps rising as sales pass break-even. (C) Total cost is lowest at zero output. (D) Total revenue is zero when nothing is sold.
16	C	The franchisee pays for the right to trade under GYG's brand and systems (GYG Franchising Information Pack, 20 May 2024). (A) An independent new business builds its own brand and systems. (B) A new franchised restaurant is not yet trading, so nothing existing is bought. (D) A partnership is a legal structure, not an establishment option.
17	A	Strengths, weaknesses, opportunities and threats describe where the business stands, which is situational analysis. (B) Forecasting estimates future revenue, costs and cash. (C) Monitoring compares actual results with the plan. (D) Corrective action is the response to what monitoring finds.
18	B	Retained profits come from inside the business (SmartCompany, 14 September 2021). (A) Money from outside investors is external equity finance. (C) A loan is external debt finance. (D) Trade credit is external finance supplied by suppliers.
19	D	The GST rate is 10 per cent under the A New Tax System (Goods and Services Tax) Act 1999. (A), (B) and (C) are not the rate. A business must register for GST once its turnover reaches $75,000 (ASBFEO, August 2025).
20	D	Comparing results with the plan and changing course is corrective action: first more training, then exit (GYG FY25 results, 22 August 2025; GYG ASX announcement, 22 May 2026). (A) Situational analysis comes before the plan is set. (B) Forecasting predicts results; it does not respond to them. (C) The US restaurants were company owned, and closing them is not franchising.

Section II · Criteria and sample answers

Each part shows how the marks are awarded, then a sample answer. The samples use real businesses where a real example earns its place. In a 2 or 3 mark answer, one real example is enough.

QUESTION 21 (A) · 2 MARKS

- 2 marks: distinguishes goods from services, showing that goods are tangible and services are intangible, with reference to both.
- 1 mark: identifies one relevant feature of a good or a service.

Sample answer. A good is tangible: it can be touched, owned and stored, such as a roll of Who Gives A Crap toilet paper. A service is intangible: it is an act performed for a customer and used as it is provided, such as tax advice from PwC Australia. The difference is that the buyer of a good takes away a physical item, while the buyer of a service takes away the result of an action.

QUESTION 21 (B) · 3 MARKS

- 1 mark for each reason outlined, to a maximum of 3.
- Answers may include: producing the goods and services people need and want; employment and incomes; profit and wealth; choice; innovation and entrepreneurship; quality of life.

Sample answer. Business provides employment and incomes: Guzman y Gomez employs more than 15,000 people in its restaurants (GYG, "About", retrieved 2 October 2026). Business increases choice through entrepreneurship: GYG's founder saw that Mexican food in Sydney was "so badly interpreted" and opened a new kind of restaurant in 2006 (Dynamic Business, 22 December 2009). Business can raise quality of life: Who Gives A Crap donates 50 per cent of its profits to sanitation charities, and its donations passed $20 million by March 2026 (econews, 25 March 2026).

QUESTION 22 (A) · 2 MARKS

- 1 mark for each internal influence identified, to a maximum of 2: products, location, resources, management, business culture.

QUESTION 22 (B) · 3 MARKS

- 3 marks: names one external influence and explains its effect on an SME, with clear cause and effect.

- 1 to 2 marks: names an influence with a limited or partial explanation.

Sample answer. A social and economic shock is an external influence the business cannot control. When panic buying began in March 2020, Who Gives A Crap's daily sales doubled, then rose to four and then twelve times normal, and its waitlist passed 500,000 (Fortune, 18 October 2020). Demand outran supply, so it closed its online store to new customers to keep supplying existing subscribers (Fortune, 18 October 2020) and hired 25 freelancers (The CEO Magazine, 14 January 2021). One outside event forced operations, marketing and staffing decisions at once.

Common error

Naming an influence and then describing it. The marks are for the effect on the business: what changed in its sales, costs or decisions because of the influence.

QUESTION 23 (A) · 4 MARKS

- 4 marks: clearly distinguishes both approaches, showing how each views the tasks of management, structure and leadership style.
- 2 to 3 marks: describes both approaches with some points of difference.
- 1 mark: states one feature of either approach.

Sample answer. The classical approach sees management as planning, organising and controlling. It uses a hierarchical structure and an autocratic leadership style, with decisions made at the top and passed down. The behavioural approach sees management as leading, motivating and communicating. It uses teams and a participative or democratic style that involves staff in decisions. The difference is the focus: the classical approach controls tasks, while the behavioural approach works through people. A real business can use both. JB Hi-Fi plans and controls through store roll-out targets and comparable sales measures (JB Hi-Fi FY10 results, 9 August 2010), and also commits to "Respect and Empower" and surveys its employees (JB Hi-Fi Annual Report 2021).

QUESTION 23 (B) · 2 MARKS

- 2 marks: outlines one benefit of quality management with a reason.
- 1 mark: names a benefit without a reason.

Sample answer. Quality management gives a consistent product that supports the business's reputation. In May 2016 Guzman y Gomez had an independent nutritionist audit every ingredient and drew up an "Unacceptable Additives" list, and it took three years of work with suppliers to make the menu "100% clean" (GYG Franchising Information Pack, 20 May 2024). A consistent standard across hundreds of restaurants lets every guest receive the same product, which protects the brand.

QUESTION 24 (A) · 3 MARKS

- 3 marks: explains the role of the cash flow statement, showing how it records cash movements and supports decisions.
- 1 to 2 marks: describes the statement with limited link to management.

Sample answer. The cash flow statement records the cash a business receives and pays over a period, from its operating, investing and financing activities. It shows whether the business can meet its payments when they fall due, which profit alone does not show. A manager uses it to spot a shortfall early and act, for example by delaying a purchase or arranging finance. Dick Smith shows the cost of ignoring it: the CFO knew of a cash shortfall of about $31 million and still voted for a final dividend of $11.8 million, declared in August 2015 (MST Lawyers and Lavan, on DSHE Holdings v Potts [2022] NSWCA 165).

QUESTION 24 (B) · 3 MARKS

- 3 marks: describes ethical business behaviour, going beyond the legal minimum, with a relevant example.
- 1 to 2 marks: identifies ethical behaviour with limited description.

Sample answer. A manager acts ethically by doing what is right and honest even where the law does not require it. That means keeping confidences, telling stakeholders the truth and treating staff fairly. When Who Gives A Crap's August 2025 restructure affected about 50 roles, its CEO explained the reasons openly and offered at least 12 weeks' extra pay, leave payouts and outplacement support (Who Gives A Crap blog, 21 August 2025). The opposite case is PwC Australia, where a partner shared confidential government tax information with colleagues, and the firm later acknowledged behaviour that allowed "profit to be placed over purpose" (Al Jazeera, 4 July 2023).

QUESTION 25 (A) · 2 MARKS

- 2 marks: correct answer of 2,000 units with working shown.
- 1 mark: correct method, or correct answer without working.

Worked solution

Break-even output = fixed costs ÷ (selling price less variable cost)

= $24,000 ÷ ($30 less $18)

= $24,000 ÷ $12

= 2,000 units

QUESTION 25 (B) · 4 MARKS

- 3 to 4 marks: explains clearly why break-even analysis is useful in planning, with more than one linked reason.
- 1 to 2 marks: states a reason with limited explanation.
- Answers may include: the sales needed to cover all costs before any profit; setting realistic sales targets; testing whether the idea is viable; testing price and cost decisions; judging risk before money is committed.

Sample answer. Break-even analysis shows the number of units a new business must sell before it makes any profit. For the business in the stimulus, every unit sold contributes $12 towards fixed costs, so 2,000 units must be sold before the first dollar of profit. The owner can compare that number with a realistic sales forecast and decide whether the idea is viable before borrowing money. It also tests decisions: a higher price or a lower variable cost raises the contribution and lowers the break-even point. A lender asks the same question. GYG says banks usually lend up to 60 per cent of the $1.7 million to $2.0 million cost of a franchised restaurant (GYG Franchising Information Pack, 20 May 2024), so a franchisee must show the sales that will repay it.

QUESTION 26 (A) · 3 MARKS

- 1 mark for each personal quality outlined, to a maximum of 3: qualifications, skills, motivation, entrepreneurship, cultural background, gender.

Sample answer. Qualifications: Simon Griffiths, co-founder of Who Gives A Crap, graduated in engineering and commerce in 2007 (University of Melbourne profile). Entrepreneurship and willingness to take risks: before Who Gives A Crap he co-founded two ventures that "were not viable long-term but provided valuable lessons" (University of Melbourne profile). Cultural background and experience: GYG's Steven Marks, a New Yorker who moved to Sydney in 2002, saw that Sydney lacked the American "fast casual" restaurant he knew (Dynamic Business, 22 December 2009).

QUESTION 26 (B) · 3 MARKS

- 3 marks: explains one way of gaining a competitive advantage, with clear cause and effect.
- 1 to 2 marks: names a way with limited explanation.

Sample answer. An SME can gain a competitive advantage by differentiating its product so customers have a reason to choose it over larger rivals. Who Gives A Crap sells toilet paper made from recycled paper or bamboo in plastic-free packaging (EY, 2024) and gives 50 per cent of its profits to sanitation charities (Inside Retail, 1 September 2026). A buyer who would otherwise choose on price has a reason to pay for this brand, which a large manufacturer cannot easily copy without changing its own business model.

QUESTION 27 (A) · 4 MARKS

- 4 marks: describes the steps of the planning process in a logical sequence.
- 1 to 3 marks: identifies or partly describes some steps.
- Steps: sources of planning ideas and situational analysis; vision, goals and objectives; organising resources across operations, marketing, finance and human resources; forecasting total revenue, total cost, break-even and cash flow; monitoring and evaluation of sales, budgets and profit; taking corrective action.

Sample answer. Planning starts with situational analysis: GYG's founder spent 18 months planning from 2005 after seeing a gap in Sydney's Mexican food (Dynamic Business, 22 December 2009). The owner then sets a vision and goals, such as GYG's long-term target of about 1,000 Australian restaurants (ABC News, 5 June 2024). Resources are organised across the four

functions, for example operations manuals and a brand designed over about 10 months (Dynamic Business). Forecasts of revenue, costs, break-even and cash flow follow. Results are then monitored against the plan, and corrective action is taken where they fall short, as GYG did when it closed its US business in May 2026.

QUESTION 27 (B) · 2 MARKS

- 1 mark for each source identified, to a maximum of 2: owner's funds, retained profits, crowdfunding, bank loans, overdraft, trade credit, leasing, equity from investors.

Sample answer. Crowdfunding: Who Gives A Crap set a $50,000 Indiegogo target in July 2012 to fund its first production run (LBB Online, 11 July 2012). A bank loan: GYG says accredited banks usually lend franchisees up to 60 per cent of the cost of a new restaurant (GYG Franchising Information Pack, 20 May 2024).

> A 2 mark "identify" wants two correct names. A paragraph earns nothing more.

Section III · The business report

About 800 words on Bright Nook, a hypothetical sole trader. Report format means a short purpose statement, headings, evidence from the scenario, and recommendations.

QUESTION 28

MARKS	CRITERIA
17 to 20	Recommends well chosen strategies in a sustained, cohesive report. Integrates the key business functions and the business planning process, closely applied to Bright Nook. Uses correct business terminology and supports each recommendation with sound reasoning.
13 to 16	Recommends appropriate strategies. Refers to the functions and the planning process, mostly applied to the scenario. Uses business terminology.
9 to 12	Describes some relevant strategies. Sound understanding of the functions or planning, with general application to the scenario.
5 to 8	Outlines one or two strategies. Basic understanding with limited application.
1 to 4	Identifies a relevant point. Limited understanding.

Answers may include:

- **Situational analysis.** Bright Nook has moved from growth into early maturity: sales are flat after three years. Strengths: an established customer base and location. Weaknesses: tight month end cash and staff turnover. Threats: two larger competitors and the shift online. Opportunity: an online channel.
- **Marketing.** Refine the target market so the shop competes on what the larger stores do not offer, such as range and service, and add an online store and social media presence to reach customers who now buy online.
- **Operations.** Manage stock to match demand so cash is not tied up in slow lines, and use service quality to differentiate from larger rivals.
- **Finance.** Prepare a monthly cash flow projection, time payments to suppliers against receipts, and check with break-even analysis that prices cover costs.
- **Human resources.** Reduce staff turnover through training, regular rosters and communication, so service quality holds.
- **Planning process.** Set measurable goals for the next stage, forecast revenue and costs, monitor results monthly and take corrective action.
- **Coordination.** Strong responses show the functions depend on each other: an online store needs stock (operations), staff to pack orders (human resources) and cash to set up (finance).

What separates a band 6 report from a band 4 report.

- A band 6 report uses every problem in the scenario. Flat sales, new competitors, the shift online, tight cash and staff leaving each get a strategy.
- A band 6 recommendation is specific to this shop and has a cost attached. "Improve marketing" is an instruction, not a recommendation.
- A band 6 report links the functions instead of listing them in turn.

Using a real business in this report

Bright Nook is hypothetical, so every finding comes from the scenario. A real business can support a recommendation in one sentence. Moving into a new channel: Who Gives A Crap added supermarket shelves to online subscription, and its sales in Woolworths grew 19.97 per cent year on year to July 2025 (econews, 25 March 2026). Using technology: GYG's own app made up 25 per cent of its sales in FY26 (GYG FY26 results, 21 August 2026). Keeping staff: Who Gives A Crap runs quarterly "slow weeks" with no meetings to prevent burnout (Broadsheet, 1 October 2024).

Section IV · The extended response

QUESTION 29

MARKS	CRITERIA
17 to 20	Makes a well supported judgement about the role of business and its responsibilities to internal and external stakeholders. Sustained, logical and cohesive, with extensive business terminology and relevant real business examples.
13 to 16	Gives a thorough account of the role of business and its responsibilities to stakeholders, with some judgement and relevant examples.
9 to 12	Describes the role of business and identifies stakeholders and responsibilities, with limited judgement.
5 to 8	Outlines the role of business or some stakeholders in a basic way.
1 to 4	Identifies a relevant point about business or stakeholders.

Indicative content

- The role of business: producing goods and services; profit, employment, incomes, choice, innovation, entrepreneurship and risk, wealth and quality of life.
- Internal stakeholders: owners, managers, employees. External stakeholders: customers, suppliers, lenders, government, the community.
- Responsibilities: fair pay and safe conditions for employees, honest and safe products for customers, fair dealing with suppliers and lenders, tax and compliance for government, limiting harm to the community and environment.
- Conflict between stakeholders, and management's role in reconciling it.
- A judgement against a stated criterion, such as how far the business's benefits reach its stakeholders once its failures are counted.

A model plan, with the evidence a band 6 response would use.

- **Judgement.** Business plays an essential role in society, but the role is only as good as the responsibilities that come with it. Where management meets them, society gains far more than profit. Where it fails, stakeholders who had no say carry the cost.
- **Role: employment, choice and entrepreneurship.** Guzman y Gomez opened one restaurant in Newtown in October 2006 (ABC News, 5 June 2024) and by 30 June 2026 had 284 restaurants (GYG FY26 results), more than 15,000 restaurant staff and more than 1,000,000 customers a week (GYG, "About", retrieved 2 October 2026). Franchisees earned a median return on investment of 47 per cent in FY26 (GYG FY26 results).
- **Role: quality of life.** Who Gives A Crap donates 50 per cent of its profits to water, sanitation and hygiene charities (Inside Retail, 1 September 2026), with donations passing $20 million by March 2026 (econews, 25 March 2026).
- **Responsibilities to customers and owners, in conflict.** GYG kept menu price growth "well below the level of cost growth" in FY26 (GYG FY26 results), which favours customers over short term margins for shareholders and franchisees. Reconciling them is management's job.
- **Responsibilities to employees.** Who Gives A Crap's August 2025 restructure affected about 50 roles, 19 per cent of the workforce, and came with at least 12 weeks' extra pay and outplacement support (Who Gives A Crap blog, 21 August 2025).
- **When responsibilities fail.** Dick Smith's CFO voted for an $11.8 million final dividend while knowing of a cash shortfall of about $31 million, and the NSW Court of Appeal found that he and the CEO breached their duty of care (MST Lawyers

and Lavan, on DSHE Holdings v Potts [2022] NSWCA 165). After the 2016 collapse, creditors were left at least $260 million out of pocket and gift card holders expected nothing (ABC News, 13 July 2016). At PwC Australia, confidential government information was shared with colleagues and at least 53 partners knew (ABC News, 5 June 2023), and the government responded by announcing tougher penalties (Treasury factsheet, August 2023). PwC's revenue fell from $3.4 billion in FY2023 to $2.1 billion in FY2025 (Consultancy.com.au, 18 August 2026): a fall of 38 per cent, calculated as ($3.4b less $2.1b) ÷ $3.4b, and partly the sale of its government business.

- **Close.** Return to the criterion. The benefits are large and measurable, but they depend on managers meeting responsibilities that the law only partly enforces.

Sample opening paragraph

Business is the main way society turns ideas and risk into goods, services, jobs and incomes, so its role is essential. That role is only as valuable as the responsibilities that come with it. Guzman y Gomez shows the role at its best: one Newtown restaurant in 2006 became 284 restaurants by June 2026, employing more than 15,000 people (GYG FY26 results; GYG, "About"). Dick Smith Electronics shows the other side: after its CEO and CFO approved a dividend without due care for the company's cash (NSW Court of Appeal, DSHE Holdings v Potts [2022] NSWCA 165), creditors lost at least $260 million in the 2016 collapse (ABC News, 13 July 2016). This essay judges the role of business by one criterion: how far its benefits reach its internal and external stakeholders once its failures are counted.

The three things that separate band 6 from band 4, with the verb assess in front of you.

- A criterion. Band 6 says what it is judging against before it judges.
- Both sides. Band 4 lists the good that business does; band 6 weighs it against what happens when responsibilities fail.
- Real, dated evidence in every paragraph. One figure from one named business beats three general claims about all businesses.

What this paper covers

TOPIC	SEC I	SEC II	SEC III	SEC IV	TOTAL
Nature of business	7	10	0	10	27
Business management	7	12	10	10	39
Business planning	6	18	10	0	34
Whole paper	20	40	20	20	100

Question 28 draws on Business management (the key functions) and Business planning (the planning process), and Question 29 on Nature of business (the role of business) and Business management (responsibilities to stakeholders), so each is split evenly between its two topics. The syllabus weights the Preliminary course 20, 40 and 40 per cent across the three topics.

Real businesses, and hypothetical stimulus

The syllabus asks you to investigate actual businesses, and an extended response marker rewards a real business named in every paragraph. This paper uses Who Gives A Crap, Guzman y Gomez, JB Hi-Fi, Dick Smith Electronics and PwC Australia, with every fact dated and sourced. The break-even stimulus in Question 25 and Bright Nook in Question 28 are hypothetical. Use them to answer the question set on them, and never cite one as a case study.

Attempt record

Come back every few weeks and date it. Improvement in a written subject is invisible from the inside, which is why students who are getting better so often believe they are not.

DATE	MARK OUT OF 100	THE ONE THING TO FIX NEXT TIME

Fill one row every time you sit the paper. The pattern you are looking for only shows up across attempts, not inside one.

About this resource

MA99 EDUCATION

Scope

NSW Business Studies, Year 11. Written to the NSW Business Studies Stage 6 Syllabus 2010, all three topics (Nature of business, Business management, Business planning), for students sitting the HSC in 2028. A new Business Studies syllabus is first examined in HSC 2029.

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