

**TO: Chief Executive Officer  
NZQA Liaison Officer**

**ATTENTION: NZ Diploma in Business (NZDipBus) Programme Managers  
Heads of Business and related departments  
Lecturers of NZDipBus papers  
Local Business Advisory Committees**

## **Review of NZDipBus accounting and finance prescriptions**

This circular requests:

- by **Thursday 1 March 2012**, nominations for NZDipBus advisors for review of NZDipBus accounting and finance prescriptions
- by **Wednesday 21 March 2012**, any feedback on the prescriptions.

Please bring this circular to the attention of any industry network/local advisory committee that has an interest in the NZDipBus or the above prescriptions.

Tertiary Assessment and Moderation (TAM) proposes to hold a meeting on **27 and 28 March 2012** to review the following prescriptions:

- 400 *Accounting Principles*
- 501 *Accounting Practices*
- 601 *Financial Accounting*
- 602 *Management Accounting*
- 603 *Business Finance*
- 605 *Internal Auditing*
- 606 *Taxation*.

TAM invites feedback on the above prescriptions and will also consider feedback received to date – refer to page three of this circular for a summary.

### **Background**

In December 2010 the National Advisory Committee for Business Studies endorsed a schedule for limited, technical reviews of all national NZDipBus prescriptions to be held between 2011 and 2013. Reviews will be in subject groups such as accounting, computing, management, marketing, economics and small business. Marketing and management (incorporating human resources and employment relations) and 520 *The Economic Environment* reviews have been completed and reviews of 560 *Business Communications* and 430 *Quantitative Business Methods* are expected to be complete by the end of March 2012.

Full reviews of all prescriptions will be deferred until the mandatory review of business qualifications is completed.

### **Review process**

An accounting and finance review team will be selected after nominations close on 1 March 2012.

The first prescription review meeting for the review team is proposed to be held in Wellington on 27 and 28 March, 2012. Applicants should state their availability for these dates. At this meeting, consultation drafts of the reviewed prescriptions will be finalised and subsequently distributed to all TEOs and other interested parties.

The second meeting (if necessary) will be held in late May or early June 2012, either in Wellington or by conference call, depending on the nature of feedback on the review drafts.

TAM expects to be able to release the final version of the reviewed prescriptions by July (subject to National Advisory Committee for Business Studies endorsement).

### **Request for nominations for review panels**

TAM is now calling for nominations for prescription reviewers. Ideally, nominees will have:

- a thorough understanding of NZDipBus and broad teaching and assessment experience in the subject
- relevant industry/business knowledge and experience
- interest and experience in prescription review, curriculum development and/or programme planning and implementation
- clear and effective writing skills
- willingness to contribute some additional time outside meetings (e.g. in preparation for, or follow-up to, meetings)
- the ability to work as part of a team and meet stringent deadlines.

The nomination form can be downloaded from the NZQA website at:

<http://www.nzqa.govt.nz/assets/Providers-and-partners/NZDB-prescription-review/Review-nomination-form.doc>

Self-nominations are acceptable.

Nominations are due by Friday 1 March 2012 and should be emailed to Steve Yeates, Operations Officer. Contact details are on the form.

NZQA has a formal selection procedure to ensure all nominees are treated fairly and appropriate applicants are selected. Advisors will be selected on the basis of evidence provided of skills, knowledge, abilities and experience in relation to the above criteria, with regard to balance within the team.

NZQA will pay the cost of travel and accommodation, and a meeting fee for selected advisors (\$315 per full day, GST exclusive).

### **Feedback on prescriptions already received**

NZQA has received recommendations and suggestions for change to the accounting and finance prescriptions:

- following a request for feedback on all NZDipBus prescriptions communicated in tertiary circular T2009/007 in August 2009
- from NZDipBus moderation teams.

Key issues noted in feedback received so far include:

#### *400 Accounting Principles*

- NZ shareholding overlaps with the finance prescription and should be deleted.
- The paper requires learning demands that go beyond level 4, and is more difficult than paper 501. The level should be 5.
- Learning outcome 1 is incorrectly weighted.
- Names for statements in learning outcome 2 should be changed. Statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows should be included.

#### 501 Accounting Practices

- Learning outcomes 1 and 2 overlap and need to be rewritten clearly.
- The prescription is too narrow in focus and captures a false view of accounting and lacks connection to business – needs a full rethink.

#### 601 Financial Accounting

- Current legal requirements to be covered are unclear – the element needs clarifying.
- Reference to research is inappropriate.
- The 30% weighting for learning outcome 2 is too large.
- The weighting allocated for learning outcome 3 is too low for the amount of work required – increase weighting or provide more clarity of meaning.

#### 602 Management Accounting

- Some points are unclear in learning outcome 2 and 3 – create assessment notes to clarify.
- For learning outcome 3b): CVP, single and multiple products, limitations – change wording to single and/or multiple products and remove CVP limitations.

#### 603 Business Finance

- Learning outcome 2a), payback is not used much in current practice and should be removed.
- Learning outcome 2c), coefficient variance should be rewritten to read coefficient of variation.

#### 605 Internal Auditing

- No feedback received. Because usage of the prescription is very low, the review panel will be asked to consider whether 605 *Internal Auditing* should be expired as a national prescription.

#### 606 Taxation

- Terminology does not match IRD – change to line up with current terminology.
- Learning outcome 3 gives insufficient emphasis given to compliance issues – 5% from FBT should be moved here.
- Learning outcome 4 is too prescriptive.
- Learning outcome 4 should include “specify depreciation schedule”.
- Learning outcome 7d) is a dated issue and should be deleted.

#### **Request for any further feedback**

If you have any further feedback, please email it to Tertiary Assessment and Moderation at [tam@nzqa.govt.nz](mailto:tam@nzqa.govt.nz), using the feedback form available at:

<http://www.nzqa.govt.nz/assets/Qualifications-and-standards/Qualifications/NZ-Diploma-in-Business/prescription-feedback-form.pdf>.

All feedback must be received by Wednesday 21 March 2012 and will be considered by the prescription review team at its first meeting.

Linda Glogau  
Manager  
Qualifications Development and Tertiary Moderation

### **Enquiries**

Any enquiries relating to the contents of this circular should be directed to:

Steve Yeates  
Operations Officer  
Tertiary Assessment and Moderation  
New Zealand Qualifications Authority  
PO Box 160  
Wellington 6140

Phone: 04 463 3340

Fax: 04 463 3114

Email: [steve.yeates@nzqa.govt.nz](mailto:steve.yeates@nzqa.govt.nz)

All circulars are published on the New Zealand Qualifications Authority website at:

<http://www.nzqa.govt.nz/about-us/publications/newsletters-and-circulars/tertiary/>