

Achievement Standard

Subject Reference Accounting 1.1

Title Demonstrate understanding of accounting concepts for small entities

Level 1 **Credits** 3 **Assessment** External

Subfield Accounting

Domain Accounting - Generic

Status Registered **Status date** 30 November 2010

Planned review date 31 December 2014 **Date version published** 30 November 2010

This achievement standard involves demonstrating understanding of accounting concepts for small entities.

Achievement Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> Demonstrate understanding of accounting concepts for small entities. 	<ul style="list-style-type: none"> Demonstrate in-depth understanding of accounting concepts for small entities. 	<ul style="list-style-type: none"> Demonstrate comprehensive understanding of accounting concepts for small entities.

Explanatory Notes

1 This achievement standard is aligned with *The New Zealand Curriculum*, Learning Media, Ministry of Education, 2007.

2 *Demonstrate understanding* means recognising and/or describing accounting concepts for small entities.

Demonstrate in-depth understanding means explaining accounting concepts for small entities.

Demonstrate comprehensive understanding means applying accounting concepts showing a clear relationship to the small entities.

- 3 The *small entities* are:
- businesses with sole proprietors registered for GST on the payments basis that are service businesses and/or trading businesses that use a periodic inventory system
 - incorporated and unincorporated community organisations (limited to the nature of accounting only).
- 4 *Accounting concepts* are selected from:
- the nature of accounting
 - purpose of financial statements
 - concepts used in the preparation of the financial statements
 - financial elements
 - the accounting equation.
- 5 Assessment Specifications for this achievement standard can be accessed through the Accounting Resources page found at <http://www.nzqa.govt.nz/qualifications-standards/qualifications/ncea/ncea-subject-resources/>.
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Replacement Information

This achievement standard replaced unit standard 7359.

Quality Assurance

- 1 Providers and Industry Training Organisations must be accredited by NZQA before they can register credits from assessment against achievement standards.
- 2 Accredited providers and Industry Training Organisations assessing against achievement standards must engage with the moderation system that applies to those achievement standards.

Accreditation and Moderation Action Plan (AMAP) reference

0233