

Title	Explain and make balance sheet date adjustments and incorporate them into financial statements		
Level	2	Credits	2

Purpose	People credited with this unit standard are able to explain and make balance sheet date adjustments, and incorporate balance sheet date adjustments into financial statements.
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Classification	Accounting > Accounting - Generic
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Available grade	Achieved
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Explanatory notes

- 1 Learning Programme
This unit standard identifies some of the learning outcomes of *Accounting Curriculum for New Zealand Schools*, New Zealand Commerce and Economics Teachers Association (NZCETA), 1998. This source can be used to develop teaching programmes needed to cover some of the outcomes described in this unit standard.
- 2 Assessment Note
 - a The balance sheet date adjustments are to include: depreciation, accrued expenses, accrued income, income received in advance, and prepayments. For accrued expenses and accrued revenue, invoices are dated after balance date.
 - b The use of a worksheet to show the effect of balance sheet date adjustments on the financial statements could be used.

Outcomes and evidence requirements

Outcome 1

Explain and make balance sheet date adjustments.

Evidence requirements

- 1.1 The explanation describes the purpose of balance sheet date adjustments in terms of reporting period and accrual basis.
- 1.2 Balance sheet date adjustments are calculated for given situations and incorporated into the financial statements.

Range depreciation and three of – accrued expenses, accrued income, income received in advance, prepayments.

1.3 The accounting entries for balance sheet date adjustments are prepared from given data.

Range depreciation and three of – accrued expenses, accrued income, income received in advance, prepayments.

Outcome 2

Incorporate balance sheet date adjustments into financial statements.

Evidence requirements

2.1 Prepare an Income Statement (by function) and a classified Balance Sheet incorporating balance sheet date adjustments.

Range depreciation and three of – accrued expenses, accrued income, income received in advance, prepayments.

Replacement information	This unit standard and AS90224 have been replaced by AS91176.
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This unit standard is expiring. Assessment against the standard must take place by the last date for assessment set out below.

Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	22 May 1996	31 December 2012
Revision	2	7 July 1999	31 December 2012
Review	3	20 September 2002	31 December 2012
Rollover and Revision	4	23 February 2007	31 December 2012
Review	5	17 November 2011	31 December 2012

Consent and Moderation Requirements (CMR) reference	0226
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Please note

Providers must be granted consent to assess against standards (accredited) by NZQA, before they can report credits from assessment against unit standards or deliver courses of study leading to that assessment.

Industry Training Organisations must be granted consent to assess against standards by NZQA before they can register credits from assessment against unit standards.

Providers and Industry Training Organisations, which have been granted consent and which are assessing against unit standards must engage with the moderation system that applies to those standards.

Requirements for consent to assess and an outline of the moderation system that applies to this standard are outlined in the Consent and Moderation Requirements (CMR). The CMR also includes useful information about special requirements for organisations wishing to develop education and training programmes, such as minimum qualifications for tutors and assessors, and special resource requirements.

This unit standard is expiring