

Achievement Standard

Subject Reference	Accounting 1.7		
Title	Demonstrate understanding of cash management for a small entity		
Level	1	Credits	4
		Assessment	Internal
Subfield	Accounting		
Domain	Accounting - Generic		
Status	Registered	Status date	30 November 2010
Planned review date	31 December 2014	Date version published	17 November 2011

This achievement standard involves demonstrating understanding of cash management for a small entity.

Achievement Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> Demonstrate understanding of cash management for a small entity. 	<ul style="list-style-type: none"> Demonstrate in-depth understanding of cash management for a small entity. 	<ul style="list-style-type: none"> Demonstrate comprehensive understanding of cash management for a small entity.

Explanatory Notes

Version 2 of this achievement standard was republished to correct an error in the status date.

- This achievement standard is aligned with *The New Zealand Curriculum*, Learning Media, Ministry of Education, 2007, and is related to the material in the *Teaching and Learning Guide for Accounting*, Ministry of Education, 2011 at <http://seniorsecondary.tki.org.nz>.
- Demonstrate understanding of cash management for a small entity* means:
 - identifying key information on financial documents
 - identifying the entity's key cash control procedures to safeguard cash.

Demonstrate in-depth understanding of cash management for a small entity means:

 - describing key information for the entity on financial documents
 - describing how the entity's key cash control procedures safeguard cash.

Demonstrate comprehensive understanding of cash management for a small entity means:

- explaining key information for the entity on financial documents
- explaining how and why the entity's key cash control procedures safeguard cash.

3 A *small entity* may include – individuals, households, service businesses, trading businesses, farms, community organisations, schools.

4 Primary data collected by the student must be used for the financial documents and cash control procedures.

5 Assessment of the information on the entity's financial documents includes four different types of documents which may be selected from:

- tax invoices
- credit notes
- discount vouchers
- statements of account
- credit card vouchers and statements
- cheques
- EFTPOS vouchers
- receipts
- bank statements
- pay slips

Note: Documents may include online financial documents which may be submitted electronically.

6 The cash control procedures for both cash receipts and cash payments include:

- methods of safeguarding cash received and on hand
- methods of safeguarding different methods of payment
- a selection from:
 - knowledge of bank balance
 - keeping documentary evidence for future reference
 - other cash control procedures used by the entity.

7 Conditions of Assessment related to this achievement standard can be found at www.tki.org.nz/e/community/ncea/conditions-assessment.php.

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