

## 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** 17 November 2011

**Planned review date** 31 December 2019      **Date version published** 20 November 2014

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"> <li>Demonstrate understanding of accounting concepts for small entities.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate in-depth understanding of accounting concepts for small entities.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate comprehensive understanding of accounting concepts for small entities.</li> </ul>

### Explanatory Notes

- 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* 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.

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### Quality Assurance

- 1 Providers and Industry Training Organisations must have been granted consent to assess by NZQA before they can register credits from assessment against achievement standards.
- 2 Organisations with consent to assess and Industry Training Organisations assessing against achievement standards must engage with the moderation system that applies to those achievement standards.

Consent and Moderation Requirements (CMR) reference

0233