

## Achievement Standard

<b>Subject Reference</b>	Accounting 3.4		
<b>Title</b>	Prepare a report for an external user that interprets the annual report of a New Zealand reporting entity		
<b>Level</b>	3	<b>Credits</b>	5
		<b>Assessment</b>	Internal
<b>Subfield</b>	Accounting		
<b>Domain</b>	Accounting - Generic		
<b>Status</b>	Registered	<b>Status date</b>	04 December 2012
<b>Planned review date</b>	31 December 2019	<b>Date version published</b>	17 November 2016

This achievement standard involves preparing a report for an external user that interprets the annual report of a New Zealand reporting entity.

### Achievement Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> <li>Prepare a report for an external user that interprets the annual report of a New Zealand reporting entity.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare an in-depth report for an external user that interprets the annual report of a New Zealand reporting entity.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare a comprehensive report for an external user that interprets the annual report of a New Zealand reporting entity.</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, 2012 at <http://seniorsecondary.tki.org.nz>.
- Prepare a report* involves:
  - providing an interpretation for an external user of the annual report of a New Zealand reporting entity
  - drawing a conclusion that makes a recommendation to meet the needs of an external user.

*Prepare an in-depth report* involves:

  - providing an interpretation for an external user of the annual report of a New Zealand reporting entity linked to other financial and non-financial information contained in the annual report
  - drawing a conclusion including reasons for the recommendation to meet the needs of an external user.

*Prepare a comprehensive report* involves:

- providing an interpretation for an external user of the annual report of a New Zealand reporting entity in relation to its wider economic activities
- drawing a conclusion covering the limitations of the report and justifying the recommendation to meet the needs of an external user.

3 The *entity* is a reporting entity as defined in the Financial Reporting Act 1993.

4 Interpreting the annual report for an external user involves explaining the relevant financial and non-financial information, which may be found in the current annual report and other media related to a New Zealand reporting entity.

5 The report is based on a current annual report issued by a New Zealand reporting entity.

6 *An external user* may be:

- a shareholder or a potential shareholder
- an interested employee or potential employee
- an interested consumer
- an interested community group.

7 The report is a formal report including:

- an introduction stating the needs of the external user, and key economic activities of a New Zealand reporting entity
- interpretation of profitability that meets the external user's needs
- interpretation of cash management and liquidity that meets the external user's needs
- specific interpretation that meets the external user's needs may include:
  - market analysis for a shareholder and/or potential shareholder
  - people and/or employee discussion for an employee and/or potential employee
  - environmental and/or sustainability analysis for an interested person or community group
  - community involvement for an interested consumer or community group
- a conclusion.

8 Conditions of Assessment related to this achievement standard can be found at [www.tki.org.nz/e/community/ncea/conditions-assessment.php](http://www.tki.org.nz/e/community/ncea/conditions-assessment.php).

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### **Replacement Information**

This achievement standard replaced unit standard 7378 and AS90504.

**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