

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	17 November 2011
Planned review date	31 December 2020	Date version published	20 November 2014

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

- 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 <http://ncea.tki.org.nz/Resources-for-Internally-Assessed-Achievement-Standards>.
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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