

## Achievement Standard

<b>Subject Reference</b>	Accounting 2.3		
<b>Title</b>	Prepare financial information for an entity that operates accounting subsystems		
<b>Level</b>	2	<b>Credits</b>	5
		<b>Assessment</b>	External
<b>Subfield</b>	Accounting		
<b>Domain</b>	Accounting - Generic		
<b>Status</b>	Registered	<b>Status date</b>	17 November 2011
<b>Planned review date</b>	31 December 2020	<b>Date version published</b>	20 November 2014

This achievement standard involves preparing financial information for an entity that operates accounting subsystems.

### Achievement Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> <li>Prepare financial information for an entity that operates accounting subsystems.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare in-depth financial information for an entity that operates accounting subsystems.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare comprehensive financial information for an entity that operates accounting subsystems.</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, 2010 at <http://seniorsecondary.tki.org.nz>.
- Prepare financial information* involves processing and reporting financial information incorporating additional information.  
*Additional information* is selected from:
  - adjustments where the figure is provided
  - distinguishing cash information in the cash flow statement.

*Prepare in-depth financial information* involves processing and reporting financial information incorporating detailed additional information.  
*Detailed additional information* is selected from:

  - adjustments where the figure requires a calculation
  - determining cash from customers and cash paid to suppliers.

*Prepare comprehensive financial information* involves processing and reporting financial information incorporating complex additional information.

*Complex additional information* is selected from:

- adjustments where the figure requires a multi-step calculation
- determining cash from customers and cash paid to suppliers including additional information such as discounts and/or bad debts and/or returns.

3 *Processing financial information* involves preparing accounting entries in the general journal and/or general ledger for adjustments and closing entries.

4 *Reporting financial information* involves preparing complete financial statements, and/or notes to the financial statements, and/or extracts from financial statements for the owner of the entity.

5 *Financial statements* are selected from:

- Income Statement
- Statement of Financial Position and notes to this limited to: accounts receivable; investments; property, plant and equipment; non-current liabilities
- Statement of Cash Flows.

6 *Adjustments* are selected from:

- income and/or expense adjustments including invoices on hand
- depreciation, selected from:
  - straight-line depreciation
  - diminishing value
  - units of use
- bad debts and/or doubtful debts
- valuation of inventory to net realisable value (limited to debit cost of goods sold, credit inventory)
- cash component of a transaction or event.

7 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 7372 and AS90224.

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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