

## Achievement Standard

**Subject Reference** Agribusiness 2.10

**Title** Demonstrate understanding of cash flow forecasting for a business

**Level** 2      **Credits** 4      **Assessment** Internal

**Subfield** Business Operations and Development

**Domain** Business Studies

**Status** Registered      **Status date** 23 November 2017

**Planned review date** 31 December 2020      **Date version published** 23 November 2017

This achievement standard involves demonstrating understanding of cash flow forecasting for a business.

### Achievement Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> <li>Demonstrate understanding of cash flow forecasting for a business.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate in-depth understanding of cash flow forecasting for a business.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate comprehensive understanding of cash flow forecasting for a business.</li> </ul>

### Explanatory Notes

1 This achievement standard is related to *The New Zealand Curriculum*, Learning Media, Ministry of Education, 2007, and to the material in the Teaching and Learning Guides, Ministry of Education, 2016 at <http://seniorsecondary.tki.org.nz>.

2 *Demonstrate understanding* involves:

- using software to show receipts and payments in a cash flow forecast
- showing the effect of variation of an external factor on the cash flow forecast
- explaining the effect of variation of an external factor on the business.

*Demonstrate in-depth understanding* involves:

- showing the response(s) of the business to the external factor on the cash flow forecast
- explaining the possible response(s) of the business to the variation in the external factor.

*Demonstrate comprehensive understanding* involves justifying the response(s) of the business to the variation in the external factor.

3 *Cash flow forecasting* refers to predicting future cash flow (receipts and payments).

- 4 *Variation* refers to changes in income and/or expenses over a period of time as a result of an external factor influence.
- 5 *External factors* refer to outside influences that can impact on a business. Examples include:
- price
  - exchange rate
  - costs
  - financing
  - environmental conditions.
- 6 Conditions of Assessment related to this achievement standard can be found at <http://ncea.tki.org.nz/Resources-for-Internally-Assessed-Achievement-Standards>.
- 

### Quality Assurance

- 1 Providers and Industry Training Organisations must be accredited 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