

Field Business

Review of *Accounting* Level 2 achievement and unit standards

Unit standards

Subfield	Domain	ID
Accounting	Accounting - Generic	7366-7373

Achievement standards

Domain	ID	Subject reference
Accounting - Generic	90220	Accounting 2.1
	90222	Accounting 2.3
	90223	Accounting 2.4
	90224	Accounting 2.5
	90225	Accounting 2.6
	90226	Accounting 2.7

The Ministry of Education and NZQA National Qualifications Services have completed a review of the achievement and unit standards listed above.

New Registration date November 2011

Date new versions published November 2011

Planned review date December 2014

Summary of review and consultation process

In 2008 the Ministry of Education (MoE) and NZQA began to review achievement and unit standards in light of the revised New Zealand Curriculum (NZC). This Alignment of Standards (AoS) review also addressed duplication of outcomes, credit parity, fairness, consistency, and coherence. The AoS review was guided by the revised NZC itself and the Standards Review Guidelines. A copy of the NZC is available at: <http://nzcurriculum.tki.org.nz/Curriculum-documents/The-New-Zealand-Curriculum>.

Teacher subject associations were involved in the review, and draft achievement standards were the focus of wide consultation, especially with secondary schools and teachers. Extensive resources, including student exemplars, were also developed to support these standards, and are available on the MoE and/or the NZQA websites.

The review of unit standards included consultation with tertiary providers to assess continued relevance and likely future use of the standards. Unit standards that duplicate achievement standard outcomes and those without the likelihood of future tertiary use were recommended for expiry.

National consultation was undertaken in 2010, with the results analysed by Research New Zealand. The responses were generally positive.

The review of these Level 2 unit and achievement standards was completed in time for implementation in schools in 2012. The review of unit and achievement standards at Level 1 was completed in time for implementation in schools in 2011. Standards at Level 3 will be implemented in 2013.

Main changes resulting from the review

- All NZC Level 7 (NZQF Level 2) outcomes derived from the NZC are now assessed using achievement standards, and there are no longer any unit standards linked to the NZC.
- Existing achievement standards were reviewed and new achievement standards were developed to align with the NZC. See [table](#) below.
- Grading criteria for achievement standards were reviewed in accordance with the Standards Review Guidelines.
- Unit standards that recognised similar outcomes as achievement standards were recommended for expiry. See [table](#) below.

For a detailed description of the review of, and the changes to, the *Accounting* standards see the appendix at the end of this report.

Impact on Consent and Moderation Requirements (CMR)

(Formerly known as AMAP)

All new achievement standards have been registered on CMR 0233.

Impact of changes on [NCEA Exclusions List](#)

For transition purposes, the following exclusions will apply for new achievement standards.

Achievement standard	Excluded against each of these standards
91174	90220
91175	90226
91176	7372, 90224
91177	90225
91179	7367, 7368, 7369, 90222, 90223
91386	7367, 7368, 7369, 90222, 90223

Review Categories and changes to classification, title, level, and credits

The following summary shows the changes made to the standards as a result of the review. All changes are in **bold**. Where a new or a new version of an externally assessed achievement standard is registered, the following designation appears after the title **[Externally Assessed]**.

Key to review category	
A	Dates changed, but no other changes are made - the new version of the standard carries the same ID and a new version number
B	Changes made, but the overall outcome remains the same - the new version of the standard carries the same ID and a new version number
C	Major changes that necessitate the registration of a replacement achievement standard with a new ID
D	Achievement standard will expire and not be replaced

Externally assessed achievement standards categorised as category C expire at the end of	December 2011
---	----------------------

Internally assessed achievement standards and unit standards categorised as category C or D expire at the end of	December 2012
---	----------------------

Business > Accounting > Accounting - Generic

ID	Title	Level	Credit	Review Category
7370	Review the control and accounting procedures for a property, plant, and equipment (PPE) sub-system	2	4	D
7371	Review the control and accounting procedures for a payroll sub-system	2	4	D
7372	Explain and make balance sheet date adjustments and incorporate them into financial statements	2	2	C
90224	Prepare financial statements and related accounting entries for sole proprietors	2	5	C
91176	Prepare financial information for an entity that operates accounting subsystems [Externally Assessed]	2	5	
7373	Account for community organisations	2	3	D
7366	Review the control and accounting procedures for a cash sub-system	2	4	D
7367	Review the control and accounting procedures for an accounts receivable sub-system	2	4	C
7368	Review the control and accounting procedures for an accounts payable sub-system	2	4	C
7369	Review the control and accounting procedures for an inventory sub-system	2	4	C
90222	Investigate and report on accounting subsystems	2	4	C
90223	Demonstrate understanding of accounting processes for accounting subsystems	2	5	C
91179	Demonstrate understanding of an accounts receivable subsystem for an entity	2	3	
91386	Demonstrate understanding of an inventory subsystem for an entity	2	3	
90220	Describe the conceptual basis of accounting for a sole proprietor	2	3	C
91174	Demonstrate understanding of accounting concepts for an entity that operates accounting subsystems [Externally Assessed]	2	4	
90225	Analyse and interpret information and make recommendation(s) for a sole proprietor	2	4	C
91177	Interpret accounting information for entities that operate accounting subsystems [Externally Assessed]	2	4	

ID	Title	Level	Credit	Review Category
90226	Use computer software to process financial transactions for a sole proprietor	2	3	C
91175	Demonstrate understanding of accounting processing using accounting software	2	4	

Appendix

Development of Level 2 Accounting Standards

Process of Aligning Standards with the New Zealand Curriculum

Programmes developed by schools for Accounting need to be based on the principles, values, and key competencies of *The New Zealand Curriculum*. The curriculum does not state specific achievement objectives for accounting at levels 6, 7 and 8. Learning objectives have been developed in the *Teaching and Learning Guide for Accounting* to describe the intended outcomes for this subject. The achievement standards have been developed to assess against these outcomes.

Addressing Duplication

The new achievement standards and existing unit standards were compared in detail to identify duplication issues. Where there was a significant amount of overlap in outcomes being assessed, the unit standards affected were recommended for expiry. In developing the achievement standards, relevant parts of the content of the unit standards were considered and incorporated where appropriate.

AS91179 (2.6) *Demonstrate understanding of an accounts receivable subsystem for an entity* and AS91386 (2.7) *Demonstrate understanding of an inventory subsystem for an entity* are derived from unit standards 7367, 7368, and 7369 and achievement standards 90222 and 90223.

Addressing Credit Parity

The credits allocated to each of the draft standards reflect the time required for the teaching and learning involved. The sector feedback regarding the initial draft matrix was considered and incorporated where appropriate.

External and Internal Assessment

The mode of assessment for each standard best reflects the teaching and learning involved in the content of the standard.

The number of externally assessed standards has been reduced to three in line with the standards review principle of reliability of assessment. The internally assessed standards reflect those standards where the assessment opportunity for learners should not be constrained by time, resources, and reference materials.

What Has Changed?

Some unit standards were recommended for expiry due to the duplication explained above.

The new *Accounting* achievement standards do reflect some changes from the expiring achievement standards, but overall the outcomes of the assessments of accounting remain unchanged.

Appropriate content of achievement standard 90223 has been redistributed because the material covered was not related. Two new internally assessed standards on the processing and elements of subsystems have been developed (AS91179 [2.6] and AS91386 [2.7]). These standards involve assessing the sales and accounts receivable subsystems and the inventory and accounts payable subsystems.