

Field Business

Review of *Accounting - Generic* Level 3 achievement and unit standards

Unit standards

Subfield	Domain	ID
Accounting	Accounting - Generic	7374-7380

Achievement standards

Domain	ID	Subject reference
Accounting - Generic	90500	Accounting 3.1
	90501	Accounting 3.2
	90502	Accounting 3.3
	90503	Accounting 3.4
	90504	Accounting 3.5
	90505	Accounting 3.6

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

New Registration date December 2012

Date new versions published December 2012

Planned review date December 2016

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 7375, 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 2011, with the results analysed by Research New Zealand. The responses were generally positive.

The review of these Level 3 unit and achievement standards was completed in time for implementation in schools in 2013.

Main changes resulting from the review

- All NZC Level 8 (NZQF Level 3) 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, or that are no longer aligned with the NZC, were designated expiring. See [table](#) below. ITOs using the expiring unit standards requested that the expiry date be set to December 2014 to enable them to manage transition to new qualifications being developed through Mandatory Reviews.
- An additional Level 2 standard AS91481 (AS 2.5) has been developed as a result of identifying a gap in the progression of outcomes being assessed across the three levels as shown in the Accounting matrix. There were standards assessing decision making at both Level 1 and Level 3 but not at level 2. This anomaly has now been addressed.

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 existing organisations with consent to assess

Current consent for			Consent extended to		
Nature of consent	Classification or ID	Level	Nature of consent	Classification or ID	Level
Standard	7374	3	Standard	91404	3
Standard	7375	3	Standard	91405	3
Standard	7376	3	Standard	91406	3
Standard	7377	3	Standard	91406	3
Standard	7378	3	Standard	91407	3
Standard	7379	3	Standard	91409	3
Standard	7380	3	Standard	91408	3

Impact on Consent and Moderation Requirements (CMR)

All new achievement standards have been registered on CMR 0233.

Impact on registered qualifications

Key to type of impact	
Affected	The qualification lists a reviewed classification (domain or subfield) in an elective set The qualification lists a standard that has changes to level or credits The qualification lists a C or D category standard
Not materially affected	The qualification lists a standard that has a new title The qualification lists a standard that has a new classification

The following table identifies qualifications developed by other SSBs that are impacted by the outcome of this review. The SSBs have been advised that the qualifications require revision. The standards that generated the status *Affected* are listed below.

Ref	Qualification Title	ID	SSB Name
0534	National Diploma in Engineering (Level 6) with strands in Mechanical Engineering, Production Engineering, and Mechanical Services, and with an optional strand in Practical Endorsement	7380	Competenz
1545	National Certificate in Mechanical Engineering (Level 5) with strands in Engineering Fabrication, Fire Protection, General and Maintenance Engineering, Mechanical Services, and Precision Engineering	7380	
1598	National Diploma in Boatbuilding (Level 5) with strands in Composite, Wooden, and Metal	7380	NZ Marine Industry Training Organisation

Impact of changes on [Exclusions List](#)

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

Achievement standard	Excluded against each of these standards
91404	7374, 90500
91405	7375, 90501, 90503
91406	7376, 7377, 90501, 90503
91407	7378, 90504
91408	7380, 90505
91409	7379, 90502

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 2012
---	----------------------

Internally assessed achievement standards categorised as category C expire at the end of	December 2013
---	----------------------

Unit standards categorised as category C expire at the end of	December 2014
--	----------------------

Business > Accounting > Accounting - Generic

ID	Ref	Title	Level	Credit	Review Category
7374		Explain the conceptual basis of accounting for reporting entities	3	4	C
90500	3.1	Describe and apply the conceptual basis of accounting in context	3	4	C
91404	3.1	Demonstrate understanding of accounting concepts for a New Zealand reporting entity [Externally Assessed]	3	4	
7375		Prepare accounting records and financial statements for partnerships	3	2	C
90501*	3.2	Process financial information for partnerships and companies	3	3	C
90503*	3.4	Prepare financial statements for partnerships and companies	3	6	C
91405	3.2	Demonstrate understanding of accounting for partnerships	3	4	
7376		Prepare accounting records for companies	3	2	C
7377		Describe and prepare the financial statements for a company	3	4	C
90501*	3.2	Process financial information for partnerships and companies	3	3	C
90503*	3.4	Prepare financial statements for partnerships and companies	3	6	C
91406	3.3	Demonstrate understanding of company financial statement preparation [Externally Assessed]	3	5	
7378		Analyse and interpret company financial statements	3	3	C
90504	3.5	Prepare a report that analyses and interprets a company's financial report for external users	3	5	C
91407	3.4	Prepare a report for an external user that interprets the annual report of a New Zealand reporting entity	3	5	
7379		Process financial information for a manufacturing enterprise	3	3	C
90502	3.3	Process financial information for a manufacturing job cost subsystem	3	3	C
91409	3.6	Demonstrate understanding of a job cost subsystem for an entity	3	4	

ID	Ref	Title	Level	Credit	Review Category
7380		Recognise and examine management control concepts	3	3	C
90505	3.6	Explain and prepare information for management decision making	3	3	C
91408	3.5	Demonstrate understanding of management accounting to inform decision-making [Externally Assessed]	3	4	
91481	2.5	Demonstrate understanding of a topical accounting issue for decision-making	2	4	New

* This standard appears in the table more than once.

Appendix

Development of Level 3 Accounting Standards

Process of Aligning Standards with the New Zealand Curriculum

The outcomes for Accounting are derived from the Learning Objectives (LO) in the *Teaching and Learning Guide for Accounting* (TLG). The standards are aligned to these outcomes.

Supporting documents have been developed to assist in the interpretation of achievement standards and to assist in the development of teaching and learning programmes.

- [Conditions of Assessment](#) provide guidelines on the assessment of the internal standards.
- Assessment Specifications provide guidelines on the assessment of external standards (accessible via relevant [subject](#) on the NZQA website).
- The TLG provides guidance on how to prepare students as 21st century learners through the development of their [key competencies](#).

Addressing Duplication

The achievement standards and unit standards were compared in detail to identify duplication issues. There was a significant amount of duplication identified between the current achievement and unit standards. This has resulted in all of the unit standards being recommended for expiry. In developing the standards, relevant parts of the content of the unit standards were considered and incorporated where appropriate.

Addressing Credit Parity

The credits allocated to each of the draft standards reflect the time required for the teaching and learning involved.

External and Internal Assessment

The method 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 are those standards where the assessment opportunity for learners should not be constrained by time, resources and reference materials.

What Has Changed?

The unit standards were designated expiring due to the duplication explained above.

The draft Accounting standards do reflect some changes from the current standards, but overall the outcomes of the assessment of accounting remain similar to those in the existing standards.

Changes to be aware of:

General

In most standards details of context have been removed from the standards and placed in the relevant parts of the CoA and the Appendix. This is because the purpose of a

standard is to describe clearly what is being assessed. The removed details relate more to context for teaching programmes.

AS 3.1 (former 90500) – entities in this standard are limited to reporting entities to align with LO 8.1 in the TLG. External users of the information are part of the changed focus of this standard. Reporting entities are those entities that have public accountability in regards to their operations and sustainability, which impact on external users and stakeholders.

AS 3.2 & 3.3 (former 90501 and 90503) – the assessment of partnerships and companies in both of these former standards has been separated into two new standards. Partnerships will now be assessed in AS3.2 and companies will be assessed in AS3.3. Total credit value for these two topics remains at 9 credits.

AS 3.6 (former 90502) – the former standard has been replaced with the new standard AS3.6 that has 4 internally assessed credits. The new standard now includes demonstrating an understanding of elements of a job cost subsystem, which is reflected in the increase in the credit value. The new standard allows the opportunity for a service entity to be the context of the assessment.

AS 3.4 (former 90504) – the former standard has been replaced with the new standard AS3.4. Calculation of analysis measures has been removed from the focus of the new standard. Interpretation of cash management now must be linked with liquidity. Interpretation of financial stability has been removed. Specific interpretation has been introduced to reflect the variety of external users that could be chosen for this assessment.

AS 3.5 (former 90505) – the former standard has been replaced with the new standard 3.5 that has four externally assessed credits. The new standard now requires a management decision for all levels of achievement. The increase in the credit value from 3 to 4 credits reflects the teaching and learning time of this standard.

NB Additional Level 2 Standard

AS 2.5 *Demonstrate understanding of a topical accounting issue for decision-making*

This additional standard has been developed as a result of identifying a “gap” in the progression of outcomes being assessed across the three levels as shown in the Accounting matrix. There were standards assessing decision making at both Level 1 and Level 3 but not at Level 2. This anomaly has now been addressed.

This standard will be available for use from 2013.