
WOOD MANUFACTURING
Analyse and apply financial decision
making techniques to a wood
manufacturing organisation

level:	6
credit:	20
planned review date:	September 2005
sub-field:	Wood Processing Technology
purpose:	People credited with this unit standard are able to: analyse relevant financial documentation relating to a specified wood manufacturing organisation; apply cost determination and allocation methodologies to a specified wood manufacturing operation; and examine, apply and evaluate techniques used for investment decision making in a wood manufacturing process stage.
entry information:	Recommended: Unit 20264, <i>Calculate costs in wood manufacturing operations</i> , or demonstrate equivalent knowledge and skills.
accreditation option:	Evaluation of documentation and visit by NZQA and industry.
moderation option:	A centrally established and directed national moderation system has been set up by Forest Industries Training.
special notes:	1 Definitions <i>Wood manufacturing organisation or operation</i> means any organisation or operation involved in solid wood processing, wood product manufacturing, or plywood and laminated veneer lumber manufacture. <i>Financial documents</i> refers to profit and loss, balance sheet and cashflow budget. <i>Wood manufacturing process stage</i> refers to a process stage and may include but is not limited to - debarking, sawing, re-sawing, moulding, shaping, defecting, finger jointing, laminating, machining, peeling, lay up, drying, sanding and packaging.

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- 2 Assessment for this unit standard will be based on analysis and comparison of a specified industry workplace with business concepts covered in this unit standard.

Elements and Performance Criteria

element 1

Analyse relevant financial documentation relating to a specified wood manufacturing organisation.

performance criteria

- 1.1 Analysis of profit and loss statement, balance sheet and cashflow projections determine the financial position of the wood manufacturing organisation in accordance with generally accepted accounting principles.
- 1.2 Analysis identifies the cost accounting and taxation principles as they apply to a wood manufacturing organisation.

element 2

Apply cost determination and allocation methodologies to a specified wood manufacturing operation.

performance criteria

- 2.1 Application describes development of cost allocation sheets in accordance with a standard methodology used in wood manufacturing organisations.
- 2.2 Developed cost allocation sheets are used to record actual data on the performance of a specified wood manufacturing operation.
- 2.3 Analysis of recorded data identifies opportunities for improved profitability in a specified wood manufacturing operation.

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element 3

Examine, apply and evaluate techniques used for investment decision making in a wood manufacturing process stage.

performance criteria

- 3.1 Application of break even, pay back, return on investment, net rate of return and cashflow techniques are examined as investment decision making tools in a wood manufacturing process stage.
- 3.2 Evaluation identifies techniques that best support an investment decision in a specified wood manufacturing process stage.

Comments on this unit standard

Please contact Competenz at info@competenz.org.nz if you wish to suggest changes to the content of this unit standard.

Please Note

Providers must be accredited by the Qualifications Authority or a delegated inter-institutional body before they can register credits from assessment against unit standards or deliver courses of study leading to that assessment.

Industry Training Organisations must be accredited by the Qualifications Authority before they can register credits from assessment against unit standards.

Accredited providers and Industry Training Organisations assessing against unit standards must engage with the moderation system that applies to those standards.

Accreditation requirements and an outline of the moderation system that applies to this standard are outlined in the Accreditation and Moderation Action Plan (AMAP). The AMAP also includes useful information about special requirements for providers wishing to develop education and training programmes, such as minimum qualifications for tutors and assessors, and special resource requirements.

This unit standard is covered by AMAP 0173 which can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.