

| | | | |
|--------------|--|----------------|----------|
| Title | Interpret and use financial data and reports for business decision-making | | |
| Level | 5 | Credits | 5 |

| | |
|----------------|---|
| Purpose | <p>This unit standard is for people who have responsibility for financial analysis to monitor business health and aid business decision-making.</p> <p>People credited with this unit standard are able to: evaluate financial statements against organisational reporting and analysis requirements; and apply financial analysis techniques and tools to interpret and report on financial statements to assist business decision-making.</p> |
|----------------|---|

| | |
|-----------------------|---|
| Classification | Financial Management > Financial Skills |
|-----------------------|---|

| | |
|------------------------|----------|
| Available grade | Achieved |
|------------------------|----------|

Guidance Information

- 1 Definition
Organisation refers to a specific business entity which may be – profit or non-profit; in private, public, or voluntary sectors; a business unit, iwi, or other special-purpose body.
- 2 Legislation relevant to this unit standard includes but is not limited to the Companies Act 1993, Financial Reporting Act 2013, and any other legislation relating to the organisation or its operations.
- 3 People will be assessed against this unit standard on the basis of evidence of demonstrated and repeatable performance in the workplace.

Outcomes and performance criteria

Outcome 1

Evaluate financial statements against organisational reporting and analysis requirements.

Performance criteria

- 1.1 Financial statements are evaluated for compliance with standards required for disclosure in financial reporting.
- 1.2 Financial statements are evaluated for meeting the reporting and analysis requirements of the organisation.

Outcome 2

Apply financial analysis techniques and tools to interpret and report on financial statements to assist business decision-making.

Performance criteria

2.1 Analytical techniques and tools are selected for their relevance to the organisation under review.

Range analytical techniques and tools may include but are not limited to – comparative financial statements, percentages, measures of operational effectiveness, earning capacity, financial stability, management effectiveness, and investment value; justification for the use of each technique or tool is required in the context of the organisation under review; evidence for two justifications is required.

2.2 Analytical techniques and tools are applied to identify trends in components and relationships.

2.3 Limitations in the form and content of financial statements and the principles and practices of accounting measurement, including present reporting requirements, are recognised and allowed for in their interpretation.

2.4 Financial analysis report is presented in a manner and form to facilitate decision-making by others.

Range may include but is not limited to – findings, interpretations, conclusions, recommendations; recommendations may relate to, but are not limited to – problems identified, remedies available, means of improving managerial performance.

| | |
|----------------------------|------------------|
| Planned review date | 31 December 2026 |
|----------------------------|------------------|

Status information and last date for assessment for superseded versions

| Process | Version | Date | Last Date for Assessment |
|-----------------------|---------|-------------------|--------------------------|
| Registration | 1 | 31 January 1997 | 31 December 2016 |
| Revision | 2 | 7 September 1999 | 31 December 2016 |
| Review | 3 | 17 April 2009 | 31 December 2016 |
| Rollover | 4 | 18 April 2013 | 31 December 2020 |
| Rollover and Revision | 5 | 17 September 2015 | N/A |
| Review | 6 | 10 December 2020 | N/A |
| Rollover and Revision | 7 | 29 August 2024 | N/A |

Consent and Moderation Requirements (CMR) reference

0113

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.