



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

New Zealand Scholarship Assessment Specifications

General information

Scholarship Performance Standard Accounting

Mode of Assessment Written examination

For year 2006

Specific Information

Format of the assessment

The paper will comprise six questions:

- Question One will address various company accounting issues.
- Question Two will address a company income statement and accompanying notes prepared for external reporting purposes.
- Question Three will address a balance sheet and accompanying notes prepared for external reporting purposes.
- Question Four will address the New Zealand Framework for the Preparation and Presentation of Financial Statements and accounting policies.
- Question Five will address the analysis and interpretation of financial reports.
- Question Six will address the preparation and interpretation of accounting information for management decisions.

Equipment required

Candidates will require a calculator

Special notes

Candidates should be familiar with the following documents:

- New Zealand Equivalent to the IASB Framework for the Preparation and Presentation of Financial Statements;
- New Zealand Equivalent to International Accounting Standard 1 - Presentation of Financial Statements (NZ IAS 1);
- the Level 3 Accounting and Scholarship Appendix on TKI (www.tki.org.nz/e/community/ncea/support.php); and
- the Explanatory Notes of the scholarship performance standard.

Content/context details

Candidates should be familiar with the Waste Management N.Z. Limited 2005 Annual Report (available on <http://www.wastemanagement.co.nz/>), in particular the Cash Flow Statement and the Financial Review. This Annual Report provides a good illustration of the factors companies will need to take into account when adopting the International Financial Reporting Standards in New Zealand.

The report should be read in conjunction with Financial Reporting Standard 41 'Disclosing the Impact of adopting NZ Equivalents to International Financial Reporting Standards' (available on http://handbook.brookers.co.nz/icanz/resources/FRS/FRS_41.pdf)

Question One will be based on company accounting issues arising from the Waste Management N.Z. Limited 2005 Annual Report.

Question Four will make reference to the New Zealand Equivalent to the IASB Framework for the Preparation and Presentation of Financial Statements as well as the decision by the Accounting Standards Review Board to adopt International Financial Reporting Standards in New Zealand. An extract from Waste Management N.Z. Limited 2005 Annual Report will be provided for discussion purposes.

Question Five will make reference to the Waste Management N.Z. Limited 2005 Annual Report and other published information regarding Waste Management N.Z. Limited. The audience for Question Five will be an external user of the financial statements.

The context for Question Six will be based on an individual considering costing information for a new business venture.