



The following report gives feedback to assist assessors with general issues and trends that have been identified during external moderation of the internally assessed standards in 2024. It also provides further insights from moderation material viewed throughout the year and outlines the Assessor Support available for Accounting.

Insights

91407: Prepare a report for an external user that interprets the annual report of a New Zealand reporting entity

Performance overview:

To achieve the standard, students need to interpret the annual report of a NZ reporting entity through the lens of an end user with specific needs or interests. The investment needs of the end user/potential investor must be clearly explained in the submission's introduction and referenced throughout the interpretation of the annual report.

Some evidence still focuses on an end user whose priority is regular dividends and/or the potential of capital gains on their shares, or a low-risk stable investment. This approach requires an interpretation of market analysis measures. Evidence that focuses on sustainability and multiple bottom-line reporting, or the needs/priorities of a potential employee, do not require market analysis measures to be interpreted. An end user in this alternative approach could be Hana who is interested in investing in a business that is a good corporate citizen and adheres to sustainability principles.

Regardless of the end user and their motivation for investing, the profitability, liquidity and cash management of the reporting entity must be interpreted. This enables students to demonstrate their accounting knowledge at curriculum level 8.

Submissions in 2024 that successfully met the Excellence criteria of preparing a comprehensive report included relevant financial and non-financial information from the annual report of the entity, and relevant information from other media. The student is required to research more widely than the entity's annual report.

Practices that need strengthening:

Evidence that presents statements of fact, a reproduction of percentages or ratios, or surface-level explanations of material presented in the annual report does not meet the standard. The interpretation requires contextualised explanations (rather than generic) that could enable the end user to make an informed decision about investing in the entity.

This is the only Accounting standard that requires students to prepare a report. They are expected to write formal structured reports with an executive summary/introduction, body (interpretation) and conclusion (recommendation). Sources of quoted material should be acknowledged.

While the report should be characterised by formality, interpretations should be framed in language that end users without a deep knowledge of accounting could understand. Students undertaking this assessment need to be equally proficient in interpreting an annual report and effectively communicating their findings to the end user. In the interests of being

fit-for-purpose for the end user, the report should be free of erroneous detail, such as EBITDA, that is not directly relevant to decision-making.

91405: Demonstrate understanding of accounting for partnerships

Performance overview:

It was refreshing to see some student evidence that went beyond case studies to focus on partnership-owned businesses local to schools. The information gained from the business needs to be supplemented by fictitious financial case study material to enable students to complete formation entries, capital and current accounts, profit distribution and the equity section and equity note of the balance sheet. While this authentic approach involves more preparatory work for the teacher, students tend to benefit from their interaction with real-life partnerships.

Students are required to describe/explain/justify a range of partnership accounting elements in the context of the entity's ability to continue operations. It is necessary to go beyond the generic purpose of each element to the specific benefit for the named partners and to support the financial viability of the partnership and its circumstances.

Practices that need strengthening:

'Could' or 'should' statements do not provide evidence of a student's understanding of partnership elements and the clauses of a partnership agreement. All responses should be placed in the context of a specific partnership and be based on what is occurring within the business. This contextualisation should be supported by references to figures from the processing aspect of the standard.

Merit level evidence should include in-depth explanations of how partnership elements enable the business to maintain its operations. For example, there would be discussion of how encouraging partners to maintain credit balances of their current accounts and minimise their drawings impacts on the entity's cash position by enabling expenses and liabilities to be paid when due.

Excellence requires a justification of the application of elements of the partnership to enable it to maintain viability. In addition to the evidence explaining how or why subsystem elements contribute to the ongoing viability of the partnership, students need to explain the consequence of having, or not having, the elements. For example, processing information would be used to support a student's justification of interest on capital and interest on drawings clauses.

Assessor Support

NZQA offers online support for teachers as assessors of NZC achievement standards. These include:

- Exemplars of student work for most standards*
- National Moderator Reports*
- Online learning modules (generic and subject-specific)**
- Clarifications for some standards*
- Assessor Practice Tool for many standards**
- Webcasts*

*hosted on the NZC Subject pages on the NZQA website.

**hosted on Pūtake, NZQA's learning management system. Accessed via Education Sector Login.

We also may provide a speaker to present at national conferences on requests from national subject associations. At the regional or local level, we may be able to provide online support.

Please contact workshops@nzqa.govt.nz for more information or to lodge a request for support.

To give feedback on this report click on [this link](#).