# Stage 2 Accounting — Assessment Type 2: Accounting Advice

## **Key Context:** Providing Accounting Advice

## **Learning Strands:** Financial Literacy, Stakeholder information and decision-making, Innovation.

### Purpose

### Design and propose authentic accounting advice as part of a business proposal for use by stakeholders in their decision-making.

### Description of assessment

Students work collaboratively to design and propose authentic accounting advice for use by potential investors in making decisions about a possible investment in a new business (of student’s choice). Students prepare authentic accounting advice, using business data to:

* prepare forecasts
* analyse and interpret accounting information
* provide recommendations.

### Task details

Students collaborate in the gathering of relevant information. They may collaborate in the preparation of forecasts and reports. Students work individually in their analysis and interpretation of information and in their preparation of recommendations.

The accounting information and authentic accounting advice should comprise of:

##### *Accounting reports*

Forecast Profit and Loss

Forecast Balance Sheet

Forecast Cash Flow Statement

Other ratios or information deemed necessary

##### *Accounting analysis*

Including breakeven analysis, benchmarking and ratio analysis.

##### *Accounting Solutions*

Exploration and recommendations for organisation structure, sources of finance, location of operations and other relevant business options.

Students should use both primary and secondary sources, including collaborating with industry, for example, to source business data for use in the accounting information and advice.

### Assessment conditions

Students present individual evidence of their learning. They also present an evaluation of their contribution to and the effectiveness of the collaboration undertaken. They may use self and peer assessment to inform their evaluation.

Students present their accounting advice in multimodal format to the equivalent of 9 minutes or 1500 words maximum (including evaluation of collaboration).

### Assessment design criteria

#### Application

Ap1 Application of accounting concepts and conventions to create accounting information for stakeholders

Ap2 Application of communications skills in an accounting context

Ap3 Application of collaboration skills in an accounting context

#### Analysis and Evaluation

AE2 Analysis and evaluation of accounting information to develop and propose accounting advice to inform stakeholder decision-making

Performance Standards Stage 2 Accounting

| - | Understanding and Exploration | Application | Analysis and Evaluation |
| --- | --- | --- | --- |
| A | In-depth understanding and exploration of accounting concepts and conventions  Insightful exploration and interpretation of accounting information needs of stakeholders | Logical and perceptive interpretation and application of accounting concepts and conventions to create highly relevant accounting information for stakeholders  Astute application of communication skills in an accounting context  Proficient application of collaboration skills in an accounting context | Perceptive analysis and evaluation of accounting information to manage financial sustainability  Perceptive analysis and evaluation of accounting information to develop and propose authentic accounting advice to inform stakeholder decision-making |
| B | Detailed understanding and exploration of accounting concepts and conventions  Some depth in exploration and interpretation of accounting information needs of stakeholders | Capable and well-informed interpretation and application of accounting concepts and conventions to create relevant accounting information for stakeholders  Well considered application of communication skills in an accounting context  Some proficiency in the application of collaboration skills in an accounting context | Some perceptiveness in analysis and evaluation of accounting information to manage financial sustainability  Well considered analysis and evaluation of accounting information to develop and propose authentic accounting advice to inform stakeholder decision-making |
| C | Understanding and exploration of accounting concepts and conventions  Exploration and interpretation of accounting information needs of stakeholders | Interpretation and application of accounting concepts and conventions to create accounting information for stakeholders  Application of communication skills in an accounting context  Application of collaboration skills in an accounting context | Analysis and evaluation of accounting information to manage financial sustainability  Analysis and evaluation of accounting information to develop and propose authentic accounting advice to inform stakeholder decision-making |
| D | Some recognition and basic exploration of accounting concepts and conventions  Some exploration of accounting information needs of stakeholders | Some application of accounting concepts and conventions to create accounting information  Some application of communication skills in an accounting context  Some application of collaboration skills in an accounting context. | Some description of accounting information to manage financial sustainability  Basic use of accounting information to develop accounting advice to inform stakeholder decision-making |
| E | Basic recognition of the accounting concepts and conventions  Attempted exploration of accounting information needs of stakeholders | Limited application of accounting concepts and conventions to create basic accounting information  Limited application of communication skills in an accounting context  Basic application of collaboration skills in an accounting context | Awareness of accounting information to manage financial sustainability  Attempted useof accounting information to develop accounting advice to inform stakeholder decision-making |