

ACCOUNTING ACO2010Y1

INTERNAL ASSESSMENT ACTIVITY

ACHIEVEMENT STANDARD 91481 (VERSION 2) ACCOUNTING 2.5

Demonstrate understanding of a contemporary accounting issue for decision-making

Level 2, Internal assessment

4 credits

STUDENT INSTRUCTIONS

Overview

You will explain and justify how a contemporary accounting issue impacts on decision-making for an entity. In this activity you will research the financial and non-financial information available to you in regard to your decision-making.

Conditions

- This could take you up to 20 hours.
- This is an open book activity.
- Sources of information can be obtained from the internet, newspapers or articles in journals, magazines etc.

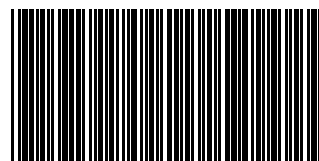
You will need:

- internet access for research
- a computer for creating your presentation.

Feel free to discuss the topic you choose with your teacher before starting.

Supervisor requirements

- Supervision is not required for this assessment.
- Upload your assessment to the ACO2010Y1 assessment dropbox when you have completed it.



ASSESSMENT CRITERIA

ACHIEVEMENT STANDARD 91481 (VERSION 2) ACCOUNTING 2.5

Demonstrate understanding of a contemporary accounting issue for decision-making

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of a contemporary accounting issue for decision-making.	Demonstrate in-depth understanding of a contemporary accounting issue for decision-making.	Demonstrate comprehensive understanding of a contemporary accounting issue for decision-making.

ACHIEVED

Demonstrate understanding involves describing how a contemporary accounting issue impacts on decision-making for an entity by:

- describing the issue, incorporating financial and non-financial information
- describing how the issue affects decision-making by the entity
- drawing a conclusion.

MERIT

Demonstrate in-depth understanding involves explaining how a contemporary accounting issue impacts on decision-making for an entity by:

- explaining the issue, incorporating financial and non-financial information
- explaining how the issue affects decision-making by the entity
- drawing a conclusion that explains the importance of the issue to the entity's decision-making.

EXCELLENCE

Demonstrate comprehensive understanding involves justifying how a contemporary accounting issue impacts on decision-making for an entity, incorporating financial and non-financial information by:

- justifying why the issue is important to the entity
- justifying how and why the issue affects decision-making by the entity
- drawing a conclusion that justifies the importance of the issue to the entity's decision-making.

The entity may be an actual entity or a case study of an entity.

ASSESSMENT ACTIVITY

ACCOUNTING

Look at the different options below and choose one that captures your interest, **or** you can approach your teacher with an idea of your own.

ISSUE 1: SUSTAINABILITY

Explore how the issue of sustainability influences the decision-making practices at Mac Donald's in NZ or another business of your choice. (Please consult your teacher first if you choose another business).

ISSUE 2: SUSTAINABILITY OF THE ENVIRONMENT

Explore how the purchase of a new electric or hybrid car could impact on the decision making of a family and their budget.

ISSUE 3: BUYING AN INVESTMENT PROPERTY

Explore how the issue of the proposed capital gains tax will influence the decision-making of a couple whose family have left home and are considering buying an investment property to help sustain them in their retirement.

ISSUE 4: AFFORDABILITY OF HOUSING

Explore the issues around buying your first house in New Zealand and the impact this would have on decision making for a young couple.

ISSUE 5: KIWI SAVER

Explore the issue of whether you would stay in kiwi saver when you are employed or not. You are automatically registered when you become an employee but have the right to withdraw. Discuss how belonging to kiwi saver, or not, can impact on your decision making now and in the future.

ISSUE 6: HOW TO USE PHYSICAL RESOURCES

The people of a hapu or iwi need to make decisions about the use of their physical resources. They want to use these resources to generate income but, as kaitiaki, to do so in such a way that they are retained, maintained and enhanced for the future generations.

Consider how a key decision, for example, a decision to use land for horticulture and farming rather than a luxury housing development, is influenced by sustainability factors - economic, environmental, social and/or cultural.

You will explain the sustainability factors, and which aspects of sustainability have significant influence on the decisions that are made by (and in) your entity, and how and why they have this influence.

You can use an actual example of a situation you are familiar with.

TASK

INSTRUCTIONS

In this activity you will explain the issue, incorporating **financial** and **non-financial** information available to you in regard to your issue. You are encouraged to include a budget to illustrate your financial information.

You will explain how and justify why the issue is relevant for the entity's decision-making.

You will draw a conclusion that explains and justifies the importance of the issue to the entities decision-making.

ENTITY

The entity may be an individual/whanau, a school, small or large business, farm, local or regional council, community organisation, iwi organisation, co-operative or specific interest group.

DECISION-MAKING

Explaining the benefits and the drawbacks of the accounting issue is not the focus of this standard, rather it is essential to explain how and why the issue affects the entity's decision-making. The issue needs to be specific to the decisions that the entity makes and will have financial and non-financial aspects that impact on decision-making.

Note: You do not actually have to make a decision; you are only required to justify the importance of the issue to your decision-making.

DEPTH OF RESEARCH

You will be assessed on the depth and comprehensiveness of your understanding of the issue and the importance of this issue to your decision-making. Your research should be comprehensive; gathering all of the financial information and non-financial information that is relevant to your decision-making.

By selecting two of the options to research you will be able to compare some of the information which will add to the comprehensiveness of your presentation, however, remember you do not have to make a decision – e.g. going on a gap year or to university.

The research is about the factors you need to consider in the decision-making process and how those factors will influence your decision.

GRADES

For Excellence you need to:

- justify (explain/describe) why the issue is important to you and your decision-making
- justify how and why (explain/describe how) the issue affects your decision-making
- draw a conclusion that justifies (explains/states) the importance of the issue to the entity's decision-making.

PRESENTATION OF THE ISSUE

Your research may be presented in a variety of ways. It may be a written presentation, a power point or prezi presentation, a poster or a documentary. (Note your format must allow detailed explanations to be included.)

INTRODUCTION

Clearly explain the issue you are discussing and give a brief overview of what you will cover.

DEVELOPMENT

Explain how and why the financial and non-financial implications impact on this issue. Look at advantages and disadvantages of different choices. Include a budget style table. This is an Accounting standard so it must contain financial material.

Justify how and why the financial and non-financial implications of the decision-making process impact on the future.

CONCLUSION

Draw a conclusion that justifies the importance of the issue on the entity's future decision-making of the chosen issue.

Upload your completed assessment to the ACO2010Y1 assessment dropbox.