

# Draft National Unit Specification



---

**Unit title:** Preparing Management Accounting Information (National 5)

**SCQF:** level 5 (6 SCQF credit points)

**Unit code:** to be advised

---

## Unit outline

The aim of this Unit is to allow learners who wish to take advantage of further numeracy-based learning opportunities to develop skills, knowledge and understanding relating to the provision of internal accounting information, using a range of basic accounting techniques. The information produced will be used by management in making decisions regarding future planning and control of the business.

Learners who complete this Unit will be able to:

- 1 Describe management accounting concepts
- 2 Prepare management accounting statements

This Unit is a mandatory Unit of the Accounting (National 5) Course and is also available as a free-standing Unit. The Unit Specification should be read in conjunction with the *Unit Support Notes* which provides advice and guidance on delivery, assessment approaches and development of skills for learning, skills for life and skills for work. Exemplification of the standards in this Unit is given in the *National Assessment Resource*.

## Recommended entry

Entry to this Unit is at the discretion of the centre. However, learners would normally be expected to have attained the skills, knowledge and understanding required by one or more of the following or equivalent qualifications and/or experience:

- ◆ Business (National 4) Course or relevant component Units
- ◆ Numeracy (SCQF level 4)
- ◆ Mathematics (National 4)

In terms of prior learning and experience, relevant experiences and outcomes may also provide an appropriate basis for doing this Unit. Further information on relevant experiences and outcomes will be given in the *Unit Support Notes*.

Examples of other such relevant prior learning and experiences would involve the development of logical and analytical thinking skills and the ability to use ICT, particularly spreadsheets.

## **Equality and inclusion**

This Unit Specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence. For further information please refer to the *Unit Support Notes*.

Draft

# Standards

## Outcomes and assessment standards

### Outcome 1

The learner will:

#### 1 Describe management accounting concepts by

- 1.1 Describing direct and indirect costs and classifying the elements of these costs
- 1.2 Describing fixed and variable costs and classifying them in order to aid breakeven analysis
- 1.3 Defining a cash budget and outlining why it is prepared

### Outcome 2

The learner will:

#### 2 Prepare management accounting statements by

- 2.1 Preparing two accounting statements from a range that includes 'first in first out' stock record, 'last in first out' stock record, overhead analysis statement, or job costing statement
- 2.2 Calculating the breakeven point in units and/or value from given data, using either breakeven formulae or a breakeven chart
- 2.3 Preparing a cash budget for a three-month period from given data that includes at least three cash receipts and six cash payments

## Evidence Requirements for the Unit

Assessors should use their professional judgement, subject knowledge and experience, and understanding of their learners, to determine the most appropriate ways to generate evidence and the conditions and contexts in which they are used.

Evidence for this Unit may be presented by a written response, ICT printout or electronic means, and must use relevant accounting layouts and concepts.

In Outcome 1, the principal elements of costs are labour, materials and overheads.

In Outcome 2, the principals of marginal costing apply.

Evidence may be presented for individual Outcomes or it may be gathered for the Unit as a whole through integrating assessment holistically in one single activity. If the latter approach is used, it must be clear how the evidence covers each Outcome.

Exemplification of assessment will be provided in the *National Assessment Resource*. Advice and guidance on possible approaches to assessment is provided in the *Unit Support Notes*.

## **Development of skills for learning, skills for life and skills for work**

It is expected that learners will develop broad, generic skills through this Unit. The skills that learners will be expected to improve on and develop through the Unit are based on SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work* and drawn from the main skills areas listed below. These must be built into the Unit where there are appropriate opportunities.

### **2 Numeracy**

- 2.1 Number processes
- 2.2 Money, time and measurement
- 2.3 Information handling

### **4 Employability, enterprise and citizenship**

- 4.1 Employability
- 4.2 Information and communication technology (ICT)

### **5 Thinking skills**

- 5.1 Remembering
- 5.2 Understanding
- 5.3 Applying

Amplification of these is given in SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work*. The level of these skills should be at the same SCQF level of the Unit and be consistent with the SCQF level descriptor. Further information on building in skills for learning, skills for life and skills for work is given in the *Unit Support Notes*.

## Administrative information



---

**Published:** August 2011 (draft version 1.0)

**Superclass:** to be advised

---

### History of changes

Version	Description of change	Authorised by	Date

© Scottish Qualifications Authority 2011

This specification may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged. Additional copies of this Unit can be downloaded from SQA's website at [www.sqa.org.uk](http://www.sqa.org.uk).

Note: readers are advised to check SQA's website: [www.sqa.org.uk](http://www.sqa.org.uk) to ensure they are using the most up-to-date version of the Unit Specification.