



HND Financial and Business Management

GJ13 16

Course Tutor Guide

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1 Introduction

1.1 Purpose of Course Tutor Guide

This Guide is aimed at staff in SQA/IAAP Approved Centres who are responsible for HND Financial and Business Management. It will assist you in the delivery, assessment and internal verification of the HND by providing information on setting up a course, the course framework, centre support with course delivery, teaching plans and guidance on assessment of the Units within the course. It also provides information about Core Skills, Graded Units, Quality Assurance and Verification.

2 Setting up the course

Centres will have been approved to offer this course and will have internal processes for liaising with appropriate parties. Liaison with SQA is normally via the centre's SQA Co-ordinator. Liaison with IAAP is normally via the centre's IAAP Co-ordinator.

It is recommended that a Course Team is set-up by the Institution/Department appointed to oversee the delivery of the course. The Course Team should comprise of all tutors teaching on the course and one tutor should be nominated as Course Team Leader.

The Course Team would have the responsibility for overseeing the quality of delivery on the course and to ensure that academic standards are maintained. The Course Team would also be responsible for monitoring student progress and determining the support required for individuals who are not progressing well.

The Course Team should meet to discuss matters relating to course delivery, assessment and internal verification on a regular basis (usually two/three times a year) to ensure that any action points are achieved and that the course is delivered efficiently and effectively. It is good practice to maintain a record of such meetings to ensure that any action points are noted and accomplished. This will benefit centres and their students by ensuring that all students achieve their full potential whilst maintaining the appropriate standards.

It is good practice for centres to maintain a library of master folders for each of the Units within the course — these may be stored electronically as long as all relevant staff have access to them as and when required. Electronic files on a secure part of the centre's network/intranet are particularly appropriate if the award is delivered across different campuses allowing all tutors to access the most up-to-date materials wherever they are located.

The master folders should contain Unit specifications, teaching materials (including details of learning, teaching and assessment plans; and if appropriate, details of any integration across Units of either teaching or assessment), assessment exemplars and re-assessments. This enables new members of staff to access this valuable resource prior to, and during, delivery of the course.

It is good practice for tutors to familiarise themselves with the Units and specific requirements of the assessments prior to the start of the course. Unit specifications set out the statement of standards and evidence required for achieving each Unit, along with guidance on content and assessment. Assessment exemplars provide an instrument of assessment for each Unit and suggested marking scheme. **The assessment exemplars MUST be kept secure at all times.**

All tutors delivering this course have a collective responsibility to ensure that all students are supported in a manner that meets their individual needs as they progress through the course.

3 The HND Structure

3.1 General HND Qualification Framework

To be awarded an SQA HND, the student is required to achieve **30 SQA HN credits** with a mixture of SCQF level 6, 7 and level 8 Units. This HND contains SCQF level 7 and 8 Units only.

Each Unit is assigned a **SQA HN credit** value of either 1 or 2. This credit value is based approximately on 80 hours of study per credit which consists of 40 hours of structured learning and a further 40 hours of student led study to consolidate and reinforce learning.

Each Unit is also assigned a **Scottish Credit and Qualifications Framework (SCQF) level and credit point value.** (See below for further details regarding the SCQF).

Each Unit is assigned an agreed number of SCQF credit points. One point represents a notional 10 hours of study by the learner at the identified level.

3.1.1 The Scottish Credit and Qualifications Framework (SCQF)

The SCQF has 12 levels ranging from Access at SCQF level 1, up to Doctorate at level 12. The different levels indicate the level of difficulty of a particular qualification and the difference between levels is dependent on factors such as:

- ◆ the complexity and depth of knowledge and understanding.
- ◆ links to associated academic, vocational or professional practice.
- ◆ the degree of integration, independence and creativity required.
- ◆ the range and sophistication of application/practice.
- ◆ the role(s) taken in relation to other learners/workers in carrying out tasks.

3.1.2 SCQF level Descriptors

The SCQF level Descriptors outline the general outcomes of learning at SCQF levels under five broad headings:

- ◆ Knowledge and understanding (mainly subject based)
- ◆ Practice (applied knowledge and understanding)
- ◆ Generic cognitive skills (eg evaluation, critical analysis)
- ◆ Communication, numeracy and IT skills; and
- ◆ Autonomy, accountability and working with others

The Descriptors allow broad comparisons to be made between the outcomes of any learning and allow learners, employers and the public in general to understand the range of skills and learning that should be achieved at each level. SCQF levels are increasingly used in job advertisements to help employers articulate the skills they require for a particular role and to help potential employees to highlight their skills thus ensuring the right person gets the right job.

For HND courses each Unit is also assigned a SCQF level which will be 6, 7 or 8. These levels indicate the degree of difficulty of the work for that Unit.

SCQF level 7 is approximately equivalent to first year of degree level study and SCQF level 8 approximately equivalent to second year of degree level study.

SCQF level 7 might be given to an introductory Unit in a subject area and SCQF level 8 to the continuing Unit.

Tutors involved in the delivery and assessment of Units would find the SCQF level descriptors helpful in determining the appropriate level of difficulty/complexity required.

For example:

The Unit *Preparing Financial Statements* (F7JT 34) has an **HN credit value of 2**. This represents 160 hours of teaching and learning.

This 160 hours will equal **16 SCQF points** (1 point = 10 hours of learning) at **SCQF level 7**.

The Unit *Financial Reporting and Analysis* (HC43 35) follows on from *Preparing Financial Statements* (F7JT 34) and has an **HN credit value of 2**. This represents 160 hours of teaching and learning.

This 160 hours will equal **16 SCQF points** at **SCQF level 8**.

This means that the Unit progresses the student's learning to a higher level.

The Unit *Managing People and Organisations* (F84T 34) has an **HN credit value of 2**. This represents 160 hours of teaching and learning.

This 160 hours will equal **16 SCQF points** (1 point = 10 hours of learning) at **SCQF level 7**.

The Unit *Business Culture and Strategy* (F7J7 35) follows on from *Managing People and Organisations* (F84T 34) and has an **HN credit value of 2**. This represents 160 hours of teaching and learning.

This 160 hours will equal **16 SCQF points** at **SCQF level 8**.

This means that the Unit progresses the student's learning to a higher level.

3.2 Core Skills

The Core Skills are a group of five skills that are key to learning and working in today's world. Employers have identified Core Skills as those that are most likely to be needed in any work environment. This does not mean that every job will need people who are proficient in all five Core Skills but it does mean that every job will require some level of ability in some or all of these skills.

The five Core Skills are: *Communication, Numeracy, Information and Communication Technology (ICT), Problem Solving and Working with Others*. Each Core Skill is available at levels 2 to 6 of the Scottish Credit and Qualifications Framework (SCQF). A brief description of each Core Skill is detailed below. A fuller description of each Core Skill at the SCQF levels 2–6 is available on the SQA's website — www.sqa.org.uk/international.

3.2.1 Communication

Communication skills underpin almost all personal, social, learning, and working activity. They are essential in clarifying one's own thoughts, in interacting and conversing with others, in expressing thoughts and in conveying information, feeling and opinions.

The Core Skill in *Communication* has two components:

- ◆ Oral Communication
- ◆ Written Communication

3.2.2 Numeracy

Numeracy skills are necessary for coping with the demands of everyday life, including work and study. People need to be comfortable with numbers, and with graphs, symbols, diagrams and calculators.

The Core Skill in *Numeracy* has two components:

- ◆ Using Graphical Information
- ◆ Using Number

3.2.3 Information and Communication Technology (ICT)

Information and Communication Technology (ICT) focuses on the ability to use Information Technology (IT) to process information in ways which will be useful in work and in the home — it is not about developing IT specialists.

The Core Skill in *Information and Communication Technology (ICT)* has two components:

- ◆ Accessing Information
- ◆ Providing/Creating Information

3.2.4 Working with Others

Working with Others develops the skills needed to co-operate with others in learning and working situations to identify and achieve shared goals.

The Core Skill in *Working with Others* has two components:

- ◆ Working Co-operatively with Others
- ◆ Reviewing Co-operative Contribution

3.2.5 Problem Solving

Problem Solving develops the skills needed for tackling issues and problems in personal, social, vocational and occupational contexts.

The Core Skill in *Problem Solving* has three components:

- ◆ Critical Thinking
- ◆ Planning and Organising
- ◆ Reviewing and Evaluating

All qualifications offered by SQA are evaluated against the Core Skill framework and where opportunities exist to develop and/or achieve a Core Skill (embedded), these have been noted and a table is provided for each HND showing where these skills are embedded and/or developed. (See *Appendices 1a and 1b*).

3.3 Graded Units

In the framework of every HND there are 3 SQA HN credits of Graded Unit. There are Graded Units built into the framework towards the latter part of Year 1 and Year 2. Depending on the HND, there may be three individual Graded Units of 1 SQA HN credit or there may be two Graded Units — a 1-credit Unit and a 2-credit Unit. The purposes of Graded Units are to:

- ◆ demonstrate that the student has achieved the principal aims of the Group Award.
- ◆ demonstrate the student's ability to integrate the knowledge and understanding gained from other Units making up the Group Award.
- ◆ grade student performance.

Graded Units are specific to the Group Award being delivered, and reflect the principal aims of that Group Award. This means that they will also clearly reflect the uniqueness of the title of the Group Award.

The allocation of grades awarded are as follows:

- ◆ Grade A — Student has achieved a mark of 70% or above
- ◆ Grade B — Student has achieved a mark of between 60% and 69%
- ◆ Grade C — Student has achieved a mark of between 50% and 59%
- ◆ F (Fail) — Student has failed to reach the required standard and achieved a mark less than 50%

4 HND Financial and Business Management

4.1 Target audience

The HND Financial and Business Management develops skills and knowledge in a range of financial and management accounting areas, business skills, information processing and management skills, problem solving, information and communication technology areas and interpersonal skills.

The HND Financial and Business Management is designed to lead to employment in a number of accounting and business management related positions such as accounts/finance assistant, accounting technician, financial accountant or management accountant.

Successful students should be able to progress to a range of degree programmes focussing on either business management or accountancy. They also may gain partial exemption from some professional bodies' qualifications — these may include ACCA¹ and CIMA² qualifications.

¹ ACCA – Association of Chartered Certified Accountants

² CIMA – Chartered Institute of Management Accountants

4.2 Access to the course

As with all SQA qualifications, access will be at the discretion of the centre and the following recommendations are for guidance only. It should be noted that this qualification will be taught and assessed in English.

Some examples of appropriate formal entry qualifications are specified below. They are not exhaustive or mutually exclusive and may be offered in a variety of combinations.

- ◆ An appropriate level of skill in the English language.
- ◆ Experience in the use of IT applications software.
- ◆ A book-keeping qualification at SCQF level 6.
- ◆ Different combinations of relevant National Qualifications, Vocational Qualifications and equivalent qualifications from other awarding bodies may be acceptable, as would suitable industry standard qualifications at an appropriate level.
- ◆ Mature students with suitable work experience will be accepted for entry provided the enrolling centre believes that the student is likely to benefit from undertaking the award.

4.3 Aims of course

The HND Financial and Business Management award has a range of aims relating to academic and vocational progression. The principal is to enable students to progress from book-keeping qualifications at SCQF level 6 to a SCQF level 8 qualification and then on to a degree programme or employment.

The general aims of the qualification are:

- 1 Develop suitable competencies on order to enter a range of accounting and managerial-related occupations.
- 2 Develop student competencies over a broad range of business-related areas with a strong focus on financial and management accounting and business administration.
- 3 Preparing students for progression to Higher Education and degree courses.
- 4 Develop skills for independent life-long learning.
- 5 Develop and enhance transferable skills for employability.
- 6 Develop and enhance transferable skills in planning, organising, evaluating and critical thinking and enable the student to investigate complex issues and problems in depth.
- 7 Develop intrapersonal and interpersonal skillsets relevant to a range of accounting and finance and business occupations and careers.

- 8 Develop communication and presentation skills and develop the ability to work co-operatively and flexibly with others.
- 9 Adopt innovative and creative approaches to work situations and be able to respond effectively to challenges presented by changes in the work environment.

4.4 HND Financial and Business Management Framework

The table below shows the whole framework of Units for the HND Financial and Business Management and includes their HN credit value and SCQF level.

Unit name	Unit code	Credit value	SCQF level
YEAR 1			
Recording Financial Information	F7JV 34	1	7
Preparing Financial Statements	F7JT 34	2	7
Using Financial Accounting Software	F7JP 34	1	7
Cost Accounting	F7JR 34	2	7
Management Accounting Using Information Technology	F7JS 34	2	7
Marketing: An Introduction	F7BX 34	1	7
Personal Development Planning	DE3R 34	1	7
Economic Issues: An Introduction	F7J8 34	1	7
Communication: Business Communication	H7TK 34	1	7
Managing People and Organisations	F84T 34	2	7
Financial and Business Management: Graded Unit 1	H6A1 34	1	7

YEAR 2			
Financial Reporting and Analysis	HC43 35	2	8
Accounting for Specialised Transactions	HC44 35	1	8
Management Accounting for Planning and Control	F82H 35	1	8
Management Accounting for Decision Making	F82J 35	2	8
Business Taxation	F7R6 35	2	8
IT in Business: Spreadsheets	HH83 34*	1	8
Business Culture and Strategy	F7J7 35	2	8
Statistics for Business	F84K 35	1	8
Research Skills	F60A 34	1	7
Financial and Business Management: Graded Unit 2	H6A2 35	1	8
Financial and Business Management: Graded Unit 3	H6A3 35	1	8

4.5 Core Skills

All of the revised Units within this award have been assessed and validated against the Core Skills 2008 framework.³

Successful students will exit from the HND Financial and Business Management with the following Core Skills profile:

Core Skill	Certificated exit level
Communication	SCQF level 6
Numeracy	SCQF level 6
Information and Communication Technology (ICT)	Components at SCQF level 5
Problem Solving	SCQF level 5
Working with Others	No automatic certification although opportunities arise to develop this Core Skill throughout the whole award via learning activities.

A detailed analysis of the Core Skills profile is provided in Appendices 1a and 1b.

4.6 Graded Unit

Students will take a 1-credit Graded Unit at SCQF level 7 in the first year of the HND Group Award, and two further 1-credit Graded Units at SCQF level 8 in the second year of the HND Group Award.

The Graded Units take the form of:

Financial and Business Management: Graded Unit 1 (H6A1 34) Examination at SCQF level 7 — 1 SQA HN credit

Financial and Business Management: Graded Unit 2 (H6A2 35) Project (case study) at SCQF level 8 — 1 SQA HN credit

Financial and Business Management: Graded Unit 3 (H6A3 35) Examination at SCQF level 8 — 1 SQA HN credit

Further details are provided in Section 8.3.

³

Core Skills Framework: an introduction (SQA, Glasgow, 2008)

4.7 Accounting Standards

From 1 January 2015, FRS 102 — The Financial Reporting Standard applicable in the UK and ROI — replaced the UK GAAP financial reporting format.

The majority of large and medium-sized UK companies will apply this new standard in their annual financial statements. Since FRS 102 is a simplified version of the full International Financial Reporting Standard (IFRS), this has the effect that any entity not required to apply full IFRSs will be able to apply FRS 102.

SQA has updated all the mandatory Accounting Unit specifications and Assessment Support Packs to comply with FRS 102 requirements.

Although not formally delivered or assessed, it would be good practice for centres to ensure candidates have an understanding of the purpose of accounting and the environment in which it operates and of the professional ethics expected of those working in this environment.

Where accounting software is used candidates should recognise that this is not a substitute for understanding the basic underlying principles of accounting. Candidates should produce work to the required standard within required timescales.

5 Course delivery of an HND

5.1 How the course is delivered

All tutors must ensure that they deliver this course using teaching methods that engage students in ‘active learning’ to encourage them to participate in the learning activities set. All SQA qualifications are designed to enable students to develop their knowledge and skills and then they are required to apply this new knowledge/skill to a new situation. Criterion-referenced assessments assume that all parties are fully informed of the criteria that students must achieve and the assessment conditions under which the students carry out the assessment activity.⁴

To ensure that students are fully prepared it is essential that tutors provide as many opportunities as possible for students to be actively engaged throughout the learning process. Students should:

- ◆ be fully informed of the criteria they must achieve.
- ◆ be offered a range of learning activities to research, analyse and apply new knowledge/skills to new situations.
- ◆ be offered opportunities to experience the type of activity that they will be required to carry out as part of the summative assessment.
- ◆ be able to critically evaluate their personal contribution and to receive feedback from the tutor on how to enhance their understanding.

⁴ For further information about different assessment activities — whether they be for formative or summative purposes, tutors may wish to complete the new online course: Produce HN Assessments for successful prior verification OR read the SQA Guide to Assessment

Tutors should develop a learning, teaching and assessment plan for each Unit within the course and provide activities that students should undertake.

Each Unit should have a master folder containing the Unit specification, teaching materials, the teaching and assessment plan along with assessment exemplars and re-assessments. The teaching materials and teaching plan should provide details of activities that students should undertake. Typically they include activities such as small group/whole class discussion, group problem solving, eg analysing a case study and offering solutions based on the new learning, group project work to find examples, to research new knowledge and to present their findings to their fellow students.

The following is a list of learning activities but it is not exhaustive:

- ◆ Lectures
- ◆ Tutorials
- ◆ Study packs
- ◆ Problem based scenarios
- ◆ Case studies
- ◆ Group/team work
- ◆ Online materials
- ◆ IT based teaching materials
- ◆ Projects
- ◆ Quizzes
- ◆ Research and presentation of findings to fellow students
- ◆ Role play
- ◆ Short response questions, multiple choice questions
- ◆ Create questions for other students (with answers), etc

Tutors should consider the nature of the assessment method as well as the assessment content when planning learning activities so that students are appropriately prepared.

It is the tutor's responsibility to explain to the students what is required of them and then to direct, encourage, co-ordinate and support students to complete the activity. It is also the tutor's responsibility to ensure the resources needed are available to the students. Materials should be reviewed on a regular basis to ensure they are still relevant.

Some activities could require students to work in pairs or small groups to discuss issues or to solve a given problem. Other activities could require the student to undertake some independent research out with the classroom and to bring their findings to the next lesson and present this to the class in a report or presentation format. Some Units will require the student to undertake independent reading and students should be prepared to discuss key issues within the classroom as organised and led by the tutor.

In practical skills classes, students should be directed to use practice exercises to enable them to become proficient. Tutors may demonstrate the skill first and then coach the students individually when unsure. In terms of developing independent learners, in the case of information technology, students should be encouraged to independently use the online Help facilities within applications. It should be noted that even in practical classes, students should be encouraged to work in small groups and to support one another as part of the learning process — by explaining to another, a student has to reformulate and communicate the learning point thus deepening their learning.

When undertaking group work, students should be encouraged/directed to work with different groups each time they attempt a new task so that they get to know and work with a wide range of individuals. The groups should be given clear task activities. Tutors should note the various roles assigned to the group members and they should set a time limit for the completion of the task.

At the end of each activity tutors should make time to receive feedback from each group so that they can assess knowledge and understanding and use the feedback session to repeat important key points and to clear up any misunderstandings. Tutors must also provide feedback to students on their performance in activities, etc.

Where centres have access to electronic resources such as Virtual Learning Environments (VLEs), Blogs, Wikis, etc — tutors/lecturers are encouraged to use these collaborative tools in the learning process.

5.2 Support for students

All tutors delivering on a course have a collective responsibility to ensure that all students are supported in a manner that meets their individual needs as they progress through the course.

Each individual tutor has a role to monitor an individual student's understanding and progress at Unit level and feed comments to the Course Team. At individual Unit level, tutors may wish to use a range of mechanisms to support students and to establish if students are progressing well on the course.

6 HND Financial and Business Management course delivery

6.1 Teaching plan

The Units that make up this Group Award are listed in Section 6.2 — **Overview of Units**.

This Section — **Teaching plan** — provides a **suggested** delivery schedule for the Units and highlights the best way to sequence the Units over two years.

When constructing this teaching plan consideration was given to the following points:

- ◆ Year 1 will contain Units which are mainly at SCQF level 7.
- ◆ Year 2 will contain Units which are mainly at SCQF level 8 and there should be a natural progression from some of the Units delivered in Year 1 to those being delivered in Year 2.
- ◆ Some Units are 2-credit and thought must be given as to whether the Unit should be covered in one semester or across the whole year.
- ◆ Finally, the Graded Units completed at the end of Years 1 and 2 are based on some of the mandatory Units. The Units being assessed as part of the Graded Unit, must be delivered and assessed to ensure that sufficient learning will have taken place to enable the students a fair opportunity at achieving the Graded Unit at an appropriate grade.

Students will study 15-credits worth of Units in each year. One semester will have 7 credits and one semester 8 credits. The weighting of these Units will depend on the relationship of the relevant Unit with other Units in terms of prior knowledge needed and/or complementary knowledge.

Rationale for the suggested delivery schedule

Two suggested delivery schedules have been given for Year 1 and Year 2 of HND Financial and Business Management — Option A and Option B.

The majority of the SCQF level 7 Units have been included in Year 1, so that students are provided with introductory knowledge and understanding in the main business areas of: accounting and finance, cost and management accounting, marketing, economics, management, communications and personal development planning.

The majority of the Units in Year 2 are SCQF level 8 Units that will develop on the knowledge and understanding gained in Year 1. Students will be able to extend their knowledge and skills in: financial reporting, taxation and other specialist areas of finance whilst broadening their knowledge and skills through the study of business culture and strategy, business statistics and research skills.

6.1.1 Year 1: Suggested delivery schedule

YEAR 1 — Option A

Semester 1	Semester 2
Recording Financial Information (F7JV 34) — SCQF level 7, 1 HN credit	Using Financial Accounting Software (F7JP 34) — SCQF level 7, 1 HN credit
Preparing Financial Statements (F7JT 34) — SCQF level 7, 2 HN credits	→
Cost Accounting (F7JR 34) — SCQF level 7, 2 HN credits	→
Management Accounting Using Information Technology (F7JS 34) — SCQF level 7, 2 HN credits	→
Communication: Business Communication (H7TK 34) — SCQF level 7, 1 HN credit	Economic Issues: An Introduction (F7J8 34) — SCQF level 7, 1 HN credit
Personal Development Planning (DE3R 34) — SCQF level 7, 1 HN credit	Marketing: An Introduction (F7BX 34) — SCQF level 7, 1 HN credit
Managing People and Organisations (F84T 34) — SCQF level 7, 2 HN credits	
	Financial and Business Management: Graded Unit 1 (H6A1 34) — SCQF level 7, 1 HN credit
Seven Units studied: seven at SCQF level 7, (3 credits completed, four Units partially completed)	Eight Units studied: eight at SCQF level 7, (12 credits completed, eight Units completed)

Rationale for Year 1 (Option A)

Semester 1 focuses on delivering two key elements of the course:

- ◆ The Units containing underpinning knowledge and skills required for the Graded Unit examination undertaken in Semester 2.
- ◆ The Units developing the student's Core Skills in the areas of *Communication* and *Information and Communication Technology (ICT)*.

Recording Financial Information (F7JV 34) provides students with the underpinning knowledge and skills necessary for successful completion of a number of Units contained in the framework such as *Preparing Financial Statements (F7JT 34)*, and *Using Financial Accounting Software (F7JP 34)*.

Communication: Business Communication (H7TK 34) is an essential Unit to study in the initial weeks and months of the course. It covers reading and understanding complex materials together with the student requirement to produce well-structured written reports, preparing the students for study in other areas of the course.

Option A provides for the delivery of the underpinning 2-credit accounting Units be spread over two semesters. These Units are best delivered throughout the two semesters such that students are fully knowledgeable and prepared for studying and revising for the Graded Unit. Another advantage of this approach is that it assists students with retention of learning as tutors may find opportunities to integrate learning and teaching. This also enables students to practise exam techniques in preparation towards completion of their Graded Unit examination undertaken in Semester 2. Students will have identified via *Personal Development Planning (DE3R 34)* appropriate revision strategies to assist their preparation for the examination.

Semester 2 provides a continuation from Semester 1 for many subject areas, ie *Cost Accounting (F7JR 34)*, *Management Accounting Using Information Technology (F7JS 34)* and *Preparing Financial Statements (F7JT 34)*.

Semester 2 introduces further areas of study: *Economic Issues: An Introduction (F7J8 34)*, and *Marketing: An Introduction (F7BX 34)*. These build on and develop the range of business management skills and knowledge introduced in Semester 1 *Managing People and Organisations (F84T 34)* is delivered across the two semesters.

The underpinning knowledge and skills required for *Financial and Business Management: Graded Unit 1 (H6A1 34)* are delivered throughout the two semesters and prepares the students for the Examination towards the end of Semester 2 following a period of consolidation of knowledge and revision.

In addition, this suite of Units provides an effective introduction to the broad nature of accounting and finance and ably prepares the student for the more specialised nature of subject areas undertaken in Year 2 of the HND Financial and Business Management.

Key features of Year 1 (Option A)

- ◆ Continuing delivery of 2-credit Units across two semesters facilitates student focus and maintains motivation and focus towards the Graded Unit examination event.
- ◆ Variety of topics may increase student motivation.
- ◆ More time to consolidate learning and focus on exam techniques.
- ◆ Ability to integrate teaching and learning with *Financial and Business Management: Graded Unit 1*.

YEAR 1 — Option B

Semester 1	Semester 2
Recording Financial Information (F7JV 34) — SCQF level 7, 1 HN credit	Cost Accounting (F7JR 34) — SCQF level 7, 2 HN credits
Using Financial Accounting Software (F7JP 34) — SCQF level 7, 1 HN credit	Management Accounting using Information Technology (F7JS 34) — SCQF level 7, 2 HN credits
Preparing Financial Statements (F7JT 34) — SCQF level 7, 2 HN credits	Managing People and Organisations (F84T 34) — SCQF level 7, 2 HN credits
Communication: Business Communication (H7TK 34) — SCQF level 7, 1 HN credit	Marketing: An Introduction (F7BX 34) — SCQF level 7, 1 HN credit
Economic Issues: An Introduction (F7J8 34) — SCQF level 7, 1 HN credit	Financial and Business Management: Graded Unit 1 (H6A1 34) — SCQF level 7, 1 HN credit
Personal Development Planning (DE3R 34) — SCQF level 7, 1 HN credit	
Six Units studied: six at SCQF level 7 (7 credits completed; six Units completed)	Five Units studied: five at SCQF level 7 (8 credits completed; five Units completed)

Rationale for Year 1 (Option B)

Option B essentially provides for two discrete subject area related semesters. Semester 1 focuses primarily on financial accounting topics whereas Semester 2 on the cost and management accounting areas.

The advantage of this is that students can successfully complete the 2-credit Units before progressing to Semester 2 and see the differences and connections between the two accounting themes.

This assists tutors and students with Unit completion and reduces the number of Units studied at any one time.

Key features of Year 1 (Option B)

- ◆ More Units completed in Semester 1
- ◆ Completion of all financial accounting Units in Semester 1 may increase student motivation in progressing to Semester 2 topics which focus on cost and management accounting Units.
- ◆ Topic completion may increase student motivation.
- ◆ Economics Unit in Semester 1 provides a good introduction to the Marketing Unit following on in Semester 2.

6.1.2 Year 2: Suggested delivery schedule

YEAR 2 — Option A

Semester 1	Semester 2
Financial Reporting and Analysis (HC43 35) — SCQF level 8, 2 HN credits →	
Business Taxation (F7R6 35) — SCQF level 8, 2 HN credits →	
Management Accounting for Decision Making (F82J 35) — SCQF level 8, 2 credits →	
Accounting for Specialised Transactions (HC44 35) — SCQF level 8, 1 HN credit	Management Accounting for Planning and Control (F82H 35) — SCQF level 8, 1 HN credit
IT in Business: Spreadsheets (F84V 35) — SCQF level 8, 1 HN credit	Business Culture and Strategy (F7J7 35) — SCQF level 8, 2 HN credits
Research Skills (F60A 34) — SCQF level 7, 1 HN credit	Financial and Business Management: Graded Unit 3 (H6A3 35) — SCQF level 8, 1 HN credit
Statistics for Business (F84K 35) — SCQF level 8, 1 HN credit	
Financial and Business Management: Graded Unit 2 (H6A2 35) — SCQF level 8, 1 HN credit →	
Eight Units studied: seven at SCQF level 8, one at SCQF level 7 (4 credits completed, four Units partially completed)	Seven Units studied: seven at SCQF level 8, (11 credits completed, seven Units completed)

Rationale for Year 2 (Option A)

Under Option A the focus again is on the delivery of the Units containing the underpinning knowledge and skills required by the students in order to prepare them for successful completion of the Graded Units.

Semester 1 allows for the students to further develop their specialised knowledge and skills in financial and management accounting and builds on the subject knowledge acquired in Year 1.

The underpinning knowledge and skills required within the Units and topics for the Graded Units 2 and 3 can be delivered over two semesters so as to ensure that the students are fully knowledgeable and prepared for the project task and the examination.

The *Financial and Business Management: Graded Unit 2 (H6A2 35)* is a project based on a case study and is best delivered over two semesters. This approach maximises the opportunity for students to produce a cohesive piece of work rather than delivery over one semester where it would be necessary to progress through the planning, development and evaluation stages too quickly and where much of the content has yet to be covered in sufficient depth.

The introduction of the units *Research Skills* (F60A 34), *IT in Business: Spreadsheets* (F84V 35) and *Statistics for Business* (F84K 35) provide a solid basis to support the preparation of the project task and facilitate the completion of the *Financial and Business Management: Graded Unit 2* (H6A2 35).

It also provides integration opportunities whereby students may research topics which are relevant to the Graded Unit 2 task. The IT Unit builds on the knowledge and skills attained in Year 1 and contributes to the development stage of Graded Unit 2 where students may wish to produce their costings in the form of linked spreadsheets.

The phasing of Units *Financial Reporting and Analysis* (HC43 35), and *Business Taxation* (F7R6 35) facilitates and contributes towards the preparation towards the *Financial and Business Management: Graded Unit 3* (H6A3 35) examination and are best delivered throughout the year as a whole as the content is relevant to the Graded Unit 3 examination.

Key features of Year 2 (Option A)

- ◆ The Units containing underpinning knowledge and skills required for the Graded Unit 2 Project are carried over through Semester 1 to Semester 2.
- ◆ Continuing delivery of 2-credit Units across two semesters facilitates student focus and maintains motivation and focus towards the Graded Unit 3 examination.
- ◆ Completion of Units in Semester 1 may increase student motivation in progressing to Semester 2 topics.
- ◆ Ability to integrate teaching and learning with Graded Unit 3 with more time to consolidate learning and focus on exam techniques.

YEAR 2 — Option B

Semester 1	Semester 2
Management Accounting for Decision Making (F82J 35) — SCQF level 8, 2 credits	Financial Reporting and Analysis (HC43 35) — SCQF level 8, 2 HN credits
Management Accounting for Planning and Control (F82H 35) — SCQF level 8, 1 HN credit	Business Taxation (F7R6 35) — SCQF level 8, 2 HN credits
Research Skills (F60A 34) — SCQF level 7, 1 HN credit	Accounting for Specialised Transactions (HC44 35) — SCQF level 8, 1 HN credit
IT in Business: Spreadsheets (F84V 35) — SCQF level 8, 1 HN credit	Business Culture and Strategy (F7J7 35) — SCQF level 8, 2 HN credits
Statistics for Business (F84K 35) — SCQF level 8, 1 HN credit	Financial and Business Management: Graded Unit 3 (H6A3 35) — SCQF level 8, 1 HN credit
Financial and Business Management: Graded Unit 2 (H6A2 35) — SCQF level 8, 1 HN credit	
Six Units studied: five at SCQF level 8, one at SCQF level 7 (7 credits completed; six Units completed)	Five Units studied: five at SCQF level 8 (8 credits completed; five Units completed)

Rationale for Year 2 (Option B)

The management accounting subjects *Management Accounting for Decision Making* (F82J 35) and *Management Accounting for Planning and Control* (F82H 35) provide the focus for the *Financial and Business Management: Graded Unit 2* (H6A2 35) project whereas the financial accounting and taxation subjects *Financial Reporting and Analysis* (HC43 35) and *Business Taxation* (F7R6 35) make up the content of the *Financial and Business Management: Graded Unit 3* (H6A3 35) examination.

This second mode of delivery provides for the successful completion of one Graded Unit in each semester, thus allowing tutors and students to concentrate their efforts on the subject areas required for each Graded Unit before moving on to new topic areas. This may provide strong student focus and motivation throughout the year as students complete one subject area before moving to Semester 2.

The introduction of the units *Research Skills* (F60A 34), *IT in Business: Spreadsheets* (F84V 35) and *Statistics for Business* (F84K 35) in Semester 1 will contribute significantly to the processes involved in project completion for *Financial and Business Management: Graded Unit 2* (H6A2 35) as these elements are a particularly important part of the project task (as identified in Option A).

Financial Reporting and Analysis (HC43 35), *Business Taxation* (F7R6 35) and *Accounting for Specialised Transactions* (HC44 35) are delivered in Semester 2 as these comprise the main elements in the *Financial and Business Management: Graded Unit 3* (H6A3 35) examination. This will enable tutors and students to focus their learning and teaching strategies towards the examination event at the end of the semester.

Key features of Year 2 (Option B)

- ◆ Fewer subjects studied in each of the semesters along with more Unit completion in Semester 1.
- ◆ Strong semester focus towards Graded Unit completion, one in each semester.
- ◆ Subject related specialisation in each semester, ie management accounting topics in Semester 1, financial accounting and taxation topics delivered in Semester 2.
- ◆ Opportunities to focus teaching and learning strategies towards the Graded Unit 3 and consolidate learning with exam techniques.

6.2 Overview of Units

An overview of each Unit delivered in Years 1 and 2 is given below. However, tutors should refer to the Unit specification for full details of the Knowledge and/or Skills to be covered and Evidence Requirements. The Evidence Requirements clearly state the type of evidence required, the standard of evidence required and any conditions of assessment. The Unit specification also contains guidance on the delivery and assessment of the Unit.

YEAR 1 Units

Recording Financial Information (F7JV 34)

This 1-credit Unit focuses on developing book-keeping skills and the recording of financial information. There are four short Outcomes and assessments although it is possible to integrate these into two assessments, if this suits the student group, by combining Outcomes 1 and 2 and also combining Outcomes 3 and 4.

Outcome 1 covers the recording of financial transactions in the books of original entry and covers sales and sales returns, purchases and purchase returns, bank transactions received and paid, cash received and paid. It also covers accounting for Value Added Tax (VAT) on these transactions.

Outcome 2 follows directly and involves the posting of the books of original entry to the sales, purchase and general ledger accounts applying double entry book-keeping principles. Finally students will extract a trial balance from the ledger accounts.

These Outcomes may be assessed separately or the assessment may be combined.

Outcome 3 covers the completion of a VAT Return by identifying relevant inputs and outputs and calculating the relevant amounts for the return.

Outcome 4 covers control mechanisms which may be incorporated into a book-keeping system. In particular, students will prepare a bank reconciliation and use journal entries to correct errors, including the use of a suspense account.

Outcomes 3 and 4 may be assessed separately or the assessment may be combined.

Preparing Financial Statements (F7JT 34)

This 2-credit Unit focuses on following on from the book-keeping skills developed in *Recording Financial Information (F7JV 34)* requiring the students to prepare and analyse financial statements for a range of entities.

Outcome 1 covers the preparation of financial statements for a range of business organisations such as limited companies, manufacturing firms and partnerships including a number of year-end adjustments.

Outcome 2 covers the preparation of financial statements from incomplete records, for a sole trader, incorporating adjustments.

Outcome 3 involves the preparation of a statement of cash flows for a limited company. Students should produce a clear, accurate and legible statement of cash flows from the financial statements of 2 consecutive years and notes to the accounts (disposals of assets) in accordance with current accounting standards.

In Outcome 4, students are required to analyse the financial statements of a limited company using appropriate accounting ratios covering profitability, liquidity, efficiency and gearing. Students should demonstrate their knowledge and/or skills by producing a written report which analyses the financial position of a limited company by making use of conventional ratio analysis.

Using Financial Accounting Software (F7JP 34)

This 1-credit Unit is designed to enable students to use commercially produced accounting software packages efficiently, to record a range of accounting transactions and prepare accounting reports for a sole trader.

In Outcome 1 students will use an accounting software package to set up and amend accounting records. They will be provided with data files already set up with customer, supplier and nominal ledger accounts and using this information will amend some existing accounting records and insert new records.

Outcome 2 covers the use of an accounting package to process financial transactions. Students will learn how to process the transactions that occur in most small and medium sized businesses on a daily basis. They will also learn how data is batched and batch totals are used for checking purposes.

In Outcome 3 students will use an accounting software package to incorporate year-end adjustments and produce financial statements for a small business.

In Outcome 4 students will learn how to produce a variety of reports for a business using the software package. These reports may include Customer Reports and Supplier Reports as well as other reports such as VAT Return; Trial Balance; Audit Trail; Day Books and Letters.

This Unit could be assessed by a practical assignment that covers all Outcomes. Alternatively, it could be assessed by four separate practical assignments.

Cost Accounting (F7JR 34)

This 2-credit Unit introduces students to a variety of costing methods and techniques that are likely to be used within cost accounting. The objective of the Unit is to enable students to maintain a working accounting system for classifying and recording cost accounting information for purposes such as inventory valuations and profit measurement.

Outcome 1 covers material control and material cost documentation relating to the movement of materials into the business, within the business and from the business. Students will learn about the different methods of inventory valuation and complete practical tasks using these methods.

Outcome 2 covers labour costs. Students will account for these by listing procedures and completing pro-forma documentation relating to labour costs. They will learn how to calculate wages using different methods. They will also look at how different pay schemes impact on the costs for businesses.

Outcome 3 looks at apportioning and allocating overhead costs. Students will learn how overhead costs are spread across different costs centres and how these costs are shown in the financial records of the organisation.

Outcome 4 covers product costs. Students will produce accurate cost statements; including a service cost statement and a traditional job cost statement.

Outcome 5 covers the recording of transactions in a cost accounting system. Students will learn how to record transactions in a cost accounting system by preparing clear, accurate and legible ledger accounts including control accounts and a costing profit and loss account and extract a closing trial balance.

The assessment for this Unit could be designed around a case study taking the form of a manufacturing organisation. Each Outcome should be assessed separately as there is little scope to combine assessment.

Management Accounting Using Information Technology (F7JS 34)

This 2-credit Unit is designed to enable students to use a variety of management accounting techniques, using commercially produced spreadsheet software packages efficiently, to record and present a range of management accounting information and prepare reports.

Outcome 1 involves the preparation of budgetary information and the preparation of budget statements using spreadsheets prepared with formulaic links.

Outcome 2 covers the preparation and calculation of management information using appropriate formulae and formats to prepare a basic budgetary control report and a variance analysis including reasons for variances.

Outcome 3 covers the use of break-even analysis for decision making. This information will be used to make recommendations to management.

Outcome 4 covers the preparation of profit statements using marginal and absorption costing methods. Students will compare and contrast the different methods of costing using spreadsheets prepared with formulaic links.

It is recommended that each Outcome be assessed separately.

Marketing: An Introduction (F7BX 34)

This 1-credit Unit gives a broad introduction to marketing. There are two Outcomes which should be incorporated in an integrated project. Students are required to produce a report which explains the nature of marketing and the marketing decisions taken in relation to an organisation of their choice. The report should include:

An introduction that provides some brief information about the organisation they have chosen and the key characteristics of the marketing concept. Students will be required to explain the organisation's micro and macro environment. Students will explain why market research is important for the organisation, and two examples of how the organisation could collect and use market research. The examples must include one qualitative and one quantitative technique. The report will then cover an explanation of the importance and benefits of market segmentation and targeting to the organisation and the process that the organisation may use to segment and target the market. An explanation of marketing theory, supported by examples of the following should also be included:

- ◆ Product mix decisions that the organisation has taken
- ◆ Place — how the organisation makes the product or service available to the customer, eg channels of distribution
- ◆ The Pricing methods used by the organisation
- ◆ The organisation's Promotional mix
- ◆ The importance to the organisation of the role of People, Process and Physical evidence in the marketing of products or services

The report should also show how the organisation's marketing mix responds to changing market conditions.

The Unit may be assessed in a variety of ways, eg by a separate assessment for each Outcome. Both assessments may take place under controlled conditions and be designed to encourage students to relate marketing theory to relevant examples. Alternatively, there is the opportunity to integrate the assessment of Outcomes 1 and 2. This could be done under open-book conditions and would be based on a case study, project or other stimulus material.

Personal Development Planning (DE3R 34)

This 1-credit Unit helps students to take responsibility for their own learning and development. In particular it provides a framework for the development of the personal and general skills and qualities which employers seek in the workplace and which are increasingly recognised as underpinning success in personal life, in citizenship and in lifelong learning. The contexts of progression to employment, or from college to university, or developing Core Skills, can be used.

Through a process of Personal Development Planning students will identify their skills, abilities and development needs and review these in the context of their own personal, educational and career aims. They will devise a personal action plan, then undertake the various actions identified and evaluate that plan. They will gather, organise and present evidence of each stage of the plan — including personal reviews — in their personal development portfolio.

There are three Outcomes for this Unit through which the students will:

- 1 Create and maintain a personal development portfolio and a personal action plan.
- 2 Implement his/her personal action plan.
- 3 Monitor and evaluate the plan and its implementation.

The Unit focuses on the process of personal development planning — investigate, plan, implement and evaluate. Students will require regular, but non-directive, support to develop and demonstrate their ability to understand and apply this process. Support can be provided through a wide range of group and individual tutorial activities and guidance. The primary purpose is to encourage autonomy and self-directed learning and development. In this context this is demonstrated where the students are able to take responsibility for their own personal, educational and career development. The nature of the Unit requires that it be delivered over an extended period of time. This will normally be one academic session for full time students or two academic sessions for part time students.

The Unit should be assessed holistically. To achieve this, a student should create, maintain and present a portfolio of evidence — a personal development portfolio. The activities associated with the Unit should provide ample opportunities for students to generate and gather the required evidence of achievement.

Economic Issues: An Introduction (F7J8 34)

This 1-credit Unit introduces students to fundamental issues in economics with a particular emphasis on the business environment. Students will learn about the basic economic problem and how the consumer and other economic agents address this problem. Students are introduced to the operation of markets and actions that can be taken to help avoid market failure. The Unit introduces the theory of National Income and the circular flow of income model.

Students are required to analyse complex information on national policies and their application.

In Outcome 1 students are required to explain the allocation of resources within the economy. In this they will cover aspects such as the basic economic problem, opportunity cost, determinants of demand and supply, interaction of demand and supply, and price and income elasticity.

In Outcome 2 students are required to explain the theory of National Income. In this they will cover areas such as circular flow of income, injections and withdrawals, multiplier, measurement of national income, comparison of national income between countries and national income growth measured in monetary and real terms.

In Outcome 3 students are required to explain and evaluate the role of government policy in the UK market. In this they will cover the role of government in market failure, current Government policy, Government policy instruments, and evaluation of Government policy.

This Unit may be assessed using an integrative assessment approach for Outcomes 1 and 2, or by using an individual instrument of assessment for each Outcome. Controlled conditions are required where sampling takes place. Assessments may involve the use of stimulus material and if appropriate, students may bring with them a defined amount of notes as source material for assessment undertaken under controlled conditions.

Outcomes 1 and 2 will be assessed using specific questions which may be based upon stimulus material and must be assessed under controlled conditions.

Outcome 3 could be assessed under open-book conditions and may take the form of a short investigative exercise with a suggested word guide of approximately 800 to 1,000 words in length excluding any appendices.

Communication: Business Communication (H7TK 34)

This 1-credit Unit is designed to help students analyse, summarise, evaluate and produce complex written communication. It also develops students' skills in presenting and responding to complex oral business information. It is recommended this Unit be taught and assessed within the Business subject area. The practical skills developed and assessed in this Unit may be integrated with other Units.

There are three Outcomes, which may be integrated with elements of the course requiring the analysis and production of complex written and/or oral communication.

Outcome 1 analyses and evaluates complex written business information and develops skills in reading and analysing complex text, summarising key information and evaluating the suitability of written text for its purpose.

Outcome 2 assists students in the production of complex written business documents. It covers selection of relevant information, sequencing for impact and effectiveness, appropriateness of language and style for formal business documents.

Within the documents spelling, punctuation and grammar should be accurate. Students are also required to reference sources.

Outcome 3 requires students to present and respond to complex oral information in a business context. Students will plan and deliver an input to a formal business related event. The event may take the form of a meeting, event, webinar, etc.

It is possible to integrate Outcome 2 and Outcome 3, combining the report and meeting/event. Tutors should be advised setting up the meetings/events can be time consuming and it is recommended the report is marked at key stages and students given constructive feedback. For each Outcome, assessment is undertaken in open-book conditions. Centres should ensure the authenticity of students' work.

Managing People and Organisations (F84T 34)

This 2-credit Unit consists of four Outcomes and assessment is open-book, based on questions on a case study of a real or fictitious organisation. Students would normally be given 2–3 weeks to research and prepare their submissions. Tutors could use questioning to authenticate learning and ensure responses are students' own work.

One case study can be used for assessment of all Outcomes but it would be recommended that students submit each Outcome separately. This approach helps students manage their assessment load, plus students benefit from tutor feedback and reflective learning.

In Outcome 1, students focus on the characteristics and purpose of the organisation and its environment. They will understand the importance of organisational goals, objectives and policy, the influence of key stakeholders and strategies of control.

In Outcome 2, students will analyse factors that contribute to workplace performance. They will consider theoretical models and relate to individual performance and motivation. Teamwork should be encouraged and students given the opportunity to reflect on factors contributing to their team's performance in tasks set. Team tasks could be set that encourage students to work together researching and presenting key theories. In addition to the use of structured questions, some form of group assessment could be used to add value to team work.

In Outcome 3, students will analyse factors that influence managerial performance. They will examine the roles and activities of managers, ways to measure managerial performance and theories of leadership. There is scope to integrate with Outcome 2 and use team tasks to assist with research activities and help students explore the effectiveness of different leadership styles. Structured questions could be supplemented by evidence from team work. Students should be encouraged to submit evidence of reflective learning on their team/leader's performance, eg what did they do well, what could they improve on, action plan for improvements.

In Outcome 4, students are required to identify and compare alternative approaches to organising people and activities within the workplace. Tutors should ensure there is enough scope within the case study or real organisation to evidence this. The organisation should be one that would benefit from restructuring and provide students with scope to cover the range required and present an alternative structure.

Financial and Business Management: Graded Unit 1 (H6A1 34)

This 1-credit Unit will provide evidence that students have met the aims of Year 1 of the Group Award. It is designed to assess the student's ability to integrate the knowledge and skills and problem solving across the core elements of the first year Units.

See Section 8.3 for further details.

YEAR 2 Units

Financial Reporting and Analysis (HC43 35)

Across the four Outcomes of this 2-credit Unit, students develop their knowledge of the underlying concepts and standards that are applied in preparing financial statements, prepare financial statements of a limited company for publication, prepare a consolidated Statement of Financial Position for a group of companies and analyse company financial statements identifying appropriate sources of long term finance.

It is recommended that the requirements of the current Financial Reporting Standard (FRS 102) be followed for the delivery and assessment of this Unit.

Outcome 1 covers the underlying accounting concepts and the legal framework governing the preparation of financial statements of limited liability companies.

Outcome 2 involves the preparation of financial statements for a limited company for publication including the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity. Disclosure Notes to accompany the financial statements are also required. Taxation items should be included in the financial statements.

Outcome 3 covers the preparation of a consolidated Statement of Financial Position for a group of companies using the acquisition method of accounting.

In Outcome 4 students will analyse company financial statements using accounting ratios covering profitability, liquidity, efficiency, capital structure and investment. Students will also have to identify two sources of long term finance appropriate for an organisation.

Accounting for Specialised Transactions (HC44 35)

This 1-credit Unit is designed to enable students to incorporate more specialised financial transactions into the accounts and the financial statements of an organisation.

The use of UK Generally Accepted Accounting Principles (UK GAAP) or International Accounting Standards (IAS) will be acceptable for the delivery and assessment of this Unit.

Outcome 1 covers the recording of financial transactions, relating to issue of shares and debentures, into the accounts of a business. Students will prepare extracts from the financial statements in relation to shares and debentures in a limited company.

Outcome 2 covers different types of leases. Students will record the financial transactions into the accounts and prepare extracts from the financial statements in relation to leasing and hire purchase transactions.

In Outcome 3 students will learn about the treatment of long-term contracts in the accounts and financial statements of a limited liability company.

Each Outcome will be assessed separately.

Management Accounting for Planning and Control (F82H 35)

This 1-credit Unit is designed to enable students to describe and apply accepted management accounting techniques to support the management processes of planning and control. It also introduces students to the importance of the role of financial management in the evaluation of working capital.

Outcome 1 covers the concept of activity based costing. Students will prepare cost statements using the activity based costing method and compare this method with more traditional approaches of allocating overheads.

Outcome 2 requires students to explain the nature and scope of working capital management and its importance in financial management.

Outcome 3 covers the use of variance analysis to reconcile budgeted profit and actual profit. Students will prepare a budgetary control statement, using either an absorption or marginal costing format, and calculate and analyse a series of variances.

It is recommended that all Outcomes are assessed separately as there is little scope for integration of assessment.

Management Accounting for Decision Making (F82J 35)

This 2-credit Unit enables students to provide and evaluate management accounting information for use in short to medium term decision making and focuses on the preparation of cost statements, applying marginal costing techniques, using limiting factor analysis and appraising capital projects.

Outcome 1 looks at the preparation of a relevant cost and revenue statement for a specific management decision, for example the acceptance or rejection of a special order. It includes sunk costs, committed costs, incremental costs/revenue and opportunity costs.

In Outcome 2 students will build on marginal costing and break-even techniques to evaluate various decisions facing an organisation including optimum use of limiting factors; make or buy decisions; and changes to process, costs and volume.

Outcome 3 involves applying marginal costing techniques to provide information to produce a multi-product profit volume graph which highlights the break-even point and margin of safety. Students will produce a report with recommendations on their findings.

Outcome 4 covers product mix decisions involving more than one limiting factor. Students will identify the optimum product mix and prepare a profit statement for the product mix identified.

Outcome 5 covers the appraisal of capital investments using accounting rate of return, payback, net present value, and internal rate of return. This appraisal includes the effects of taxation and inflation.

There may be scope to integrate the assessment of Outcomes 2 and 4.

Business Taxation (F7R6 35)

This 2-credit Unit introduces to students to the basic concepts of business taxation. The Unit explores the tax implications of different business entities and it includes the calculation of taxable trading profits for sole traders, partnerships, limited companies and the principles of Value Added Tax. It is intended to make students aware of the broad tax implications of business transactions.

Outcome 1 covers the application of Income Tax legislation to calculate basic taxable trading profit (and the tax payable) for a sole trader.

Outcome 2 covers the calculation of the Income Tax due on taxable trading profits, applying Income Tax legislation, in a selection of complex trading circumstances.

In Outcome 3 students will apply Corporation Tax legislation to calculate basic taxable trading profit for a limited company.

Outcome 4 covers the application of Corporation Tax legislation in a selection of complex trading circumstances.

Outcome 5 requires students to explain the principles of Value Added Tax.

The Outcomes may be assessed separately. Alternatively, the assessment of the Outcomes may be combined through the use of an open book case study.

IT in Business: Spreadsheets (F84V 34)

This 1-credit Unit is designed to allow students to develop an understanding of spreadsheet design and how to use spreadsheet features and functions for practical and effective use. There are three Outcomes for the Unit and open-book conditions should be used for the assessment.

In Outcome 1 students are required to create a spreadsheet design and provide solutions for a business scenario.

In Outcome 2 students should present spreadsheet data in graphical form and interpret the results.

In Outcome 3 students should provide solutions to a business scenario using spreadsheet statistical functions.

It is possible to link assessment 1, 2 and 3 using a case study and the assessment may be presented in a variety of forms, eg printed, submitted electronically or in hard copy. An assessment exemplar has been provided for this Unit and this uses a case study for Outcome 1 to design and produce spreadsheets. From the spreadsheets produced in Outcome 1 material is provided for the graphs for Outcome 2. A file is provided for the students for Outcome 3 which contains the information from a questionnaire and this is used to produce statistical functions for Outcome 3.

There is scope to link the assessment to other Units, eg *Statistics for Business* (F84K 35), and *Research Skills* (F60A 34).

Business Culture and Strategy (F7J7 35)

This 2-credit Unit builds on *Managing People and Organisations* (F84T 34) from Year 1 and enhances students' understanding of business strategy and culture. There are five Outcomes and a holistic approach may be taken to all five Outcomes. A single instrument of assessment can be issued in the form of a case study or an investigation into an organisation of choice. Tutors should ensure any chosen organisation will offer sufficient evidence to cover the full range. Students should be familiar with their chosen organisation and ensure they can easily gather data required to complete all Outcomes. Clear guidelines should be issued for the investigative report.

It is advisable tutors monitor student progress and offer formative assessment feedback after completion of each Outcome. If students research an organisation of choice, then they should be encouraged to present their findings to the class group. This provides an insight into the strategy and culture of a variety of organisations and enhances student learning. It also provides the opportunity to develop Core Skills in *Communication and Problem Solving*.

Outcome 1 examines how management analyse the organisations relationship with its external environment.

Outcome 2 assesses the relationship between organisational culture and organisational behaviour.

Outcome 3 explains the influence of business strategy on organisational behaviour.

Outcome 4 explains how to manage business strategy.

Outcome 5 analyses how to manage change within an organisation.

Statistics for Business (F84K 35)

This 1-credit Unit of three Outcomes introduces students to statistical concepts and descriptive statistics used in business.

In Outcome 1 students will be required to use statistical techniques for collecting data. Areas to be covered are types of data, sources of data, survey methods and sampling methods.

In Outcome 2 students will be required to use statistical techniques to analyse and interpret data. Areas to be covered are presentation of quantitative data, presentation of qualitative and ordinal data, measures of central location, measures of dispersion, index numbers, analysis techniques and interpretation techniques.

In Outcome 3 students will be required to use software to produce forecasts and diagrams. Areas to be covered are scatter diagrams including predictor and response variables, linear regression forecasting. Pearson's product-moment (PPM) correlation coefficient, time series forecasting, histograms, analysis skills and interpretation skills and the use of appropriate software.

Outcome 1 could be assessed using an assessment containing short response questions and given circumstances covering all aspects of Outcome 1.

Outcome 2 could be assessed by an open-book assessment carried out in controlled condition. The use of calculation aids such as a scientific calculator and/or appropriate software is permitted. Students will have to present data in differing formats, perform calculations and draw inferences from interpreting figures and provide meaningful comment.

Outcome 3 could be assessed by an open-book assessment carried out under controlled conditions in which students use appropriate software.

Research Skills (F60A 34)

This 1-credit Unit is about developing the student's ability to access and evaluate information from a variety of primary and secondary sources by planning and reporting on a research investigation. It is aimed at those who need to access and analyse information as part of their course of study.

Outcome 1 requires students to plan a research investigation.

In Outcome 2 students will access and analyse complex information from a range of primary and secondary sources.

Outcome 3 requires students to present the findings of their research investigation.

It is recommended that the Unit be assessed holistically by an investigative report linking all three Outcomes. There are opportunities that tasks could be integrated with other elements of the award.

Use of technology in sourcing, storing and presenting information is to be encouraged. Findings could be presented as a written or oral report, article, documentary or similar investigation. Referencing should be appropriate to the medium selected and could involve a log book, portfolio of notes, bibliography or credits.

Financial and Business Management: Graded Unit 2 (H6A2 35)

This 1-credit Unit will provide evidence that students have met the aims of the Group Award. It will be assessed by a Project which will take the form of a Case Study. This Unit tests the student's ability to integrate the knowledge and skills and problem solving mainly from across the management and cost accounting elements within the HND Financial and Business Management.

See Section 8.3 for further details.

Financial and Business Management: Graded Unit 3 (H6A3 35)

This 1-credit Unit will provide evidence that students have met the aims of the Group Award. It will be assessed by an Examination that tests the student's ability to integrate the knowledge and skills and problem solving mainly from across the financial accounting and taxation elements within the HND Financial and Business Management.

See Section 8.3 for further details.

6.3 Opportunities for integration of Units

It is envisaged that where possible centres will deliver this award in an integrative manner to help the students appreciate the interconnections between the various subjects.

Integration means identifying opportunities either within a Unit or across Units to deliver and/or assess topics which meet the criteria for either two Outcomes within the same Unit, or two Outcomes — one Outcome from one Unit and one Outcome from another Unit.

For example, in the Unit *Communication: Business Communication* (H7TK 34), Outcome 2 requires students to produce complex written business documents (which can be one or more documents) of approximately 1,500 words but which must conform to a range of standards. The content of the 'complex written business documents' are not stated and it would, therefore, be possible to select a topic from another theory based Unit, for example, *Preparing Financial Statements* (F7JT 34) to form the basis of a 'formal business report'. Hence two Outcomes are being assessed in a single assessment activity.

Based on the proposed delivery of Years 1 and 2 the following opportunities may exist for integration of delivery and/or assessment:

YEAR 1

Unit code	Unit title	Integration opportunity
H7TK 34	Communication: Business Communication	Preparing Financial Statements — Outcome 3 — where students <i>prepare a report</i> for management. Managing People and Organisations — Outcome 4 — where students <i>prepare a report</i> .

YEAR 2

Unit code	Unit title	Integration opportunity
H6A2 35	Financial and Business Management: Graded Unit 2	<p>IT in Business: Spreadsheets — Outcome 2 — Students may prepare GU2 calculations using linked spreadsheets.</p> <p>Research Skills — Students may base research topics around GU2 Case Study.</p> <p>Statistics for Business — Students may produce statistical information to support research data.</p> <p>Business Culture and Strategy — Outcome 1, Outcome 4.</p> <p>Management Accounting for Decision Making — Outcome 5 — Investment Appraisal.</p> <p>Management Accounting for Planning and Control — Outcome 1 — Activity Based Costing.</p>
F84V 35	IT in Business: Spreadsheets — Outcome 2	Statistics for Business — Students may provide statistical analysis in spreadsheet form for GU2 Project.

7 Assessment in an HND award

7.1 Assessment in learning and for certification

Assessment is the process of evaluating a student's learning.

Assessment takes place throughout the learning and teaching processes as well as the final assessment for certification. It can take many forms (for example: practical exercises, case studies, extended response questions) and can be used for different purposes — including identifying prior knowledge, identifying gaps in learning, providing feedback to students as well as measuring student attainment.

Assessment as part of the learning process is called **formative** assessment. It provides developmental feedback to a student and tutors so that they can adjust their plan for future learning. It is not recorded for external purposes. **Formative** assessment is often called 'assessment for learning'.

Summative assessment is carried out for the purpose of certification. Through **summative assessment**, students provide evidence to demonstrate that they can achieve the Evidence Requirements detailed in the statement of standards of the relevant Unit specification. It is generally undertaken at the end of a learning activity or programme of learning and is used to make a judgement on the student's overall attainment.

7.2 Assessment planning of an HND

All HND qualifications are **summatively assessed** using a mix of continuous Unit assessment and Graded Unit assessments. It is helpful for students, the Course Team and the internal verifiers if the Course Team has an overview of when summative assessments are likely to occur. It is, therefore, common practice for a Course Team, prior to the start of course delivery to agree the overall learning, teaching and assessment plan for the course. Part of this process requires tutors to agree when each Unit in the course will be **summatively assessed**.

In situations where Units of a course are being delivered in parallel, it is important that Course Teams make sure that the assessment load placed on students is manageable, although it is recognised that by its very nature summative assessments will occur towards the end of learning.

7.3 Planning the Unit summative assessment

For each Unit, it is helpful for tutors/assessors to draw up a Unit assessment plan which:

- ◆ describes what is to be assessed.
- ◆ says what assessment methods will be used.
- ◆ describes how the assessments are to be administered, eg practical, online, etc.
- ◆ defines opportunities for integrating assessment.
- ◆ provides a timetable for when the assessment will take place.

- ◆ notes arrangements that need to be made to take account of additional support needs or prior learning.
- ◆ describes the measures to be taken to ensure that the evidence produced is authentic and current.
- ◆ describes how and when requirements for record-keeping and quality assurance processes will be met.

7.4 Negotiating summative assessments with the students

Ultimately, it is up to the tutor to determine when a student is ready for summative assessment (within the agreed time constraints of the course timetable). A good way of gauging if a student is ready for assessment is to use a **practice assessment** (a final formative assessment which mirrors the summative assessment in terms of assessment method and an aspect of the Evidence Requirement where appropriate but it must not contain the same task detail as the summative assessment).

The tutor can use this assessment to identify the level of an individual student's competence and the outcome can help the tutor determine if the student is ready to attempt the summative assessment or if the student still has gaps in knowledge and understanding that need to be addressed through further work.

It is good practice to communicate assessment plans to students as early as possible in the course so that they know what to expect. A copy of the **proposed Course Assessment Plan** may be given to students at the start of the course, often during course induction. Thereafter, it is up to each tutor to make sure that students receive early warning of when assessment is likely to take place.

7.5 Summative assessment exemplars

Assessment exemplars are produced by SQA and are made available to centres for all Units in this HND. Assessment exemplars are intended solely for the purpose of assessment of students against the standards given in the Unit specifications. **They must not be released prior to the assessment or be distributed for any other purpose. It is the centre's responsibility to maintain the security of all assessment exemplars.**

A Unit assessment exemplar will contain:

- ◆ details of the conditions under which the assessment is to be carried out.
- ◆ assessment tasks for each Outcome.
- ◆ a marking scheme or model answer.
- ◆ checklists (where appropriate).

It is vital that tutors:

- ◆ adhere to the conditions for the assessment, ie open-book, closed-book, controlled conditions.
- ◆ mark assessments consistently in line with the marking scheme or model answer provided.

- ◆ keep all assessment exemplars secure so that they can be used for future student assessments.

Once the student has completed the summative assessment, it is good practice for tutors to mark their student's work quickly and provide constructive feedback.

7.6 Accounting Units – Summative Assessment Exemplars — Error Tolerance Guidance

Within the Accounting Units an error tolerance is allowed within the assessments. The Unit specification and Assessment exemplar, for each Unit, states the number of errors allowed for each Outcome. Errors are classified as either an 'arithmetic error' or an 'error of principle'. Appendix 3 contains further guidance on error tolerance.

8 HND Financial and Business Management assessment strategy and plan

8.1 HND Financial and Business Management assessment strategy

A guide to the type and number of assessments in each Unit of the HND Financial and Business Management is shown below:

Unit	Assessment — Year 1				
	Outcome 1	Outcome 2	Outcome 3	Outcome 4	Outcome 5
Communication: Business Communication (H7TK 34)	Analysis of business text	Open-book report — Extended response and formal meeting — (integrate Outcomes 2 and 3)			
Economic Issues: An Introduction (F7J8 34)	Integrative assessment — Set questions. Controlled conditions with defined amount of notes		Open-book — Short investigative exercise		
Marketing: An Introduction (F7BX 34)	Open-book — Case study with written structured questions				
Personal Development Planning (DE3R 34)	Open-book — personal development portfolio.				
Managing People and Organisations (F84T 34)	Open-book — Case study, written and/or oral responses	Open-book — Case study, written and/or oral responses	Open-book — Case study, written and/or oral responses	Open-book — Case study, written and/or oral responses	

Unit	Assessment — Year 1				
	Outcome 1	Outcome 2	Outcome 3	Outcome 4	Outcome 5
Recording Financial Information (F7JV 34)	Practical exercise — Closed-book supervised	Practical exercise — Closed-book supervised	Practical exercise — Open-book supervised	Practical exercise — Open-book supervised	
Preparing Financial Statements (F7JT 34)	Practical exercise — Closed-book supervised. Pro forma layout provided.	Practical exercise — Closed-book supervised. Pro forma layout provided.	Practical exercise — Open-book supervised	Practical exercise — Open-book supervised	
Using Financial Accounting Software (F7JP 34)	Practical exercise — Open-book supervised.	Practical exercise — Open-book supervised	Practical exercise — Open-book supervised	Practical exercise — Open-book supervised	
Cost Accounting (F7JR 34)	Practical exercise — Closed-book supervised. Access to formulae permitted.	Practical exercise — Closed-book supervised. Pro forma layout provided.	Practical exercise — Closed-book supervised. Pro forma layout provided.	Practical exercise — Closed-book supervised.	Practical exercise — Open-book supervised.
Management Accounting Using IT (F7JS 34)	Practical exercise — Supervised with access to linked functional budget templates only.	Practical exercise — Supervised with access to blank templates only.	Practical exercise — Open-book supervised.	Practical exercise — Closed-book supervised.	
Financial and Business Management: Graded Unit 1 (H6A1 34)	Closed-book examination				

Unit	Assessment — Year 2				
	Outcome 1	Outcome 2	Outcome 3	Outcome 4	Outcome 5
Financial Reporting and Analysis (HC43 35)	Short response questions based on scenario — Open-book supervised.	Practical exercise — Supervised with access to layout only.	Practical exercise — Closed-book supervised.	Analysis and report — Open-book conditions.	
Accounting for Specialised Transactions (HC44 35)	Practical exercise — Closed-book supervised.	Practical exercise — Closed-book supervised.	Practical exercise. — Closed-book supervised.		
Management Accounting for Planning and Control (F82H 35)	Practical exercise — Closed-book supervised.	Practical exercise — Supervised. Access to formulae permitted.	Practical exercise — Supervised. Access to formulae permitted.		
Management Accounting for Decision Making (F82J 35)	Practical exercise — Closed-book supervised.	Practical exercise — Closed-book supervised.	Practical exercise — Closed-book supervised.	Practical exercise — Open-book supervised.	Practical exercise — Closed-book supervised.
Business Taxation (F7R6 35)	Assignment. Open-book.	Open-book supervised exam.			Assignment. Open-book.
IT in Business: Spreadsheets (F84V 35)	Practical task	Practical task	Practical task		
Business Culture and Strategy (F7J7 35)	Open-book. Written and/or oral responses. All five Outcomes may be assessed by one integrated assessment based on a case study or research into tutor-approved organisation.				
Statistics for Business (F84K 35)	Written/oral short response questions.	Practical tasks. Open-book under controlled conditions.	Practical tasks. Open-book under controlled conditions.		
Research Skills (F60A 34)	Investigative report.				
Financial and Business Management: Graded Unit 2 (H6A2 35)	Project (Case Study)				
Financial and Business Management: Graded Unit 3 (H6A3 35)	Closed-book examination				

8.2 HND Financial and Business Management Course - Assessment Plan

Suggested course assessment schedules for Year 1 and Year 2 are found in Appendices 2a and 2b.

They are based on two semesters of 17 weeks, where centres have a different length of semester; they should amend their schedules accordingly.

If centres decide to deliver Units in a different order, they should amend their schedules accordingly.

8.3 HND Financial and Business Management Graded Unit assessments

Financial and Business Management: *Graded Unit 1* (H6A1 34) Examination at SCQF level 7 — 1 SQA HN credit

Financial and Business Management: *Graded Unit 2* (H6A2 35) Project (Case Study) at SCQF level 8 — 1 SQA HN credit

Financial and Business Management: *Graded Unit 3* (H6A3 35) Examination at SCQF level 8 — 1 SQA HN credit

Graded Unit 1 is a closed-book examination lasting three hours comprising two papers — Computational and Narrative - worth 60% and 40% of the marks respectively. This Unit covers the integration of a range of knowledge and skills achieved through study of the mandatory Units, but focusing on:

F7JV 34	<i>Recording Financial Information</i>
F7JT 34	<i>Preparing Financial Statements</i>
F7JP 34	<i>Using Financial Accounting Software</i>
F7JS 34	<i>Management Accounting Using Information Technology</i>
F7JR 34	<i>Cost Accounting</i>

The assessment should take place towards the end of the programme to ensure that students have covered the topics which will be assessed within the Graded Unit.

Graded Unit 2 is a project based on a case study and will be completed on an open-book basis over a period of time.

This Unit covers the integration of a range of knowledge and skills achieved throughout selected Units of the HND:

F82H 35	<i>Management Accounting for Planning and Control</i>
F82J 35	<i>Management Accounting for Decision Making</i>
F7R6 35	<i>Business Taxation</i>

In addition to the integration of knowledge and skills needed to complete the project, students will develop their skills in planning, negotiation, research, analysis, time management and problem solving. The Core Skill of *Problem Solving* at SCQF level 5 is embedded and therefore automatically certificated on successful completion of the Unit.

Strict timelines should be set for each stage of the project and students should adhere to these.

Graded Unit 3 is a closed-book examination lasting three hours comprising two papers — Computational and Narrative — worth 80% and 20% of the marks respectively. This Unit covers the integration of a range of knowledge and skills achieved through study of the mandatory Units, but focusing on:

HC43 35	<i>Financial Reporting and Analysis</i>
HC44 35	<i>Accounting for Specialised Transactions</i>
F7R6 35	<i>Business Taxation</i>

The assessment should take place towards the end of the programme to ensure that students have covered the topics which will be assessed within the Graded Unit.

8.4 What happens if a student does not achieve an assessment?

If a student fails to demonstrate competence in a summative assessment, it is good practice to communicate this to the student quickly. Tutors should take time to individually feedback to students where they went wrong. Having given feedback, tutors should then advise students on what they need to do to prepare for re-assessment.

The student then undertakes additional work as discussed with the tutor, this is called remediation. It is when the student revises class work or practises skills covered in class BEFORE they attempt the re-assessment. It is important that students do get time to consolidate their knowledge and understanding before being re-assessed.

Re-assessment may take a variety of forms.

- ◆ For some assessments, students may be allowed to provide additional information, eg if a student has submitted a report based on a piece of independent research, s/he would be allowed to add the missing evidence and resubmit the report. The new information should be highlighted in such a way to show that it had been added, eg underlined, coloured and dated in the margin.
- ◆ For practical tasks related to their use of information technology, students may be permitted to correct work and resubmit — the original submission and the re-submission should both be kept.
- ◆ For multiple choice, short response and Graded Units, students may be required to attempt a completely new assessment instrument.

Where specific action has to be taken for re-assessment details will be noted in the Unit specification and tutors must be familiar with the Unit specification requirements for re-assessment.

It is important to note that re-assessment does **NOT** always require that students complete a full new assessment. Re-assessment may (and often does) allow students to re-attempt the part of the Outcome that they have not completed to a standard which meets the Unit specification.

For all Units within this HND Financial and Business Management, SQA has provided at least one summative assessment for each Unit. Centres are encouraged to produce their own alternative material for summative and re-assessment purposes.

Once a draft assessment has been prepared by the centre it should first be quality checked by centre staff (internally verified) and submitted to SQA for prior-verification to ensure that it is fit for purpose.⁵

If a student fails to reach the pass mark in the Graded Unit 1 — Examination, then he/she should be allowed to sit an alternative examination before the beginning of the next session to allow progression to Year 2. Students must complete all aspects of the new assessment instrument. Students must pass the Graded Unit on the second attempt.

9 Quality Assurance

Both SQA and IAAP are committed to providing qualifications and support to match the needs of individuals, society and the economy of Scotland and internationally. SQA believes that global interaction in education and training benefits our customers, clients, partners and SQA through the sharing of expertise and experience.

SQA has a balanced portfolio of qualifications that is inclusive, facilitates progression, reflects Scotland's educational, economic, social and cultural needs and changes, and supports education and training worldwide.

SQA works in partnership with our approved centres to achieve our shared goals of excellence and consistency. This ensures that SQA's qualifications continue to meet the requirements all users of our qualifications.

SQA's quality assurance models are designed to ensure that assessment decisions made to national standards are correct and consistent, and that national standards are maintained. We are committed to maintaining an assessment and quality system that is easy to understand, effectively administered, publicly accountable, and cost-effective to operate.

⁵ For centres wishing support in this process, an online course has been developed — Produce HN Unit assessments for successful prior moderation

As well as working with centres to manage and enhance the quality of SQA qualifications, SQA routinely monitors its own performance. SQA establishes processes that need to be followed and submit these to regular auditing. This includes systematic evaluation and review of the effectiveness of our quality management processes. SQA also monitors standards across all our qualifications over time, to ensure consistency. Feedback from stakeholders is an integral part of SQA's review activities.

SQA is subject to external audit by a number of agencies, including the Scottish Government.

For assessed qualifications, SQA regularly monitors centres to ensure that they have the resources and expertise to assess students against the qualification criteria. (Assessment is where centres use assessment instruments to make decisions about students' work. External assessment is where SQA takes on these duties, usually in the form of examinations or externally assessed coursework. Only assessments are subject to quality assurance by verification.)

10 Verification

10.1 Introduction

SQA's quality assurance processes have been developed to ensure that national standards are applied to internally assessed Units or course components.

To maintain the credibility of SQA qualifications, we rely on effective collaboration with centres to ensure national standards are maintained across all qualifications at all levels.

Verification is the procedure that SQA uses to make sure that centres' assessment decisions are valid and reliable and are in line with national standards.

10.2 Why do we need verification?

Verification is one of a range of Quality Assurance measures used by SQA to confirm that:

- ◆ centres' assessment decisions are sound (ie valid, reliable and practicable).
- ◆ national standards are being uniformly applied.
- ◆ assessments are accurately and consistently applied across all students and levels.

This ensures qualifications and certification is credible with all students being assessed to a common standard.

10.3 Internal verification

Centres are responsible for the internal verification of their assessments. This means that centres should have an internal verification system — a system of having quality checks in place — which can be operated throughout the centre. Each tutor who is responsible for the assessment of students and/or internal verification of student material should:

- ◆ be made aware of their centre's quality assurance procedures.
- ◆ comply with these procedures.

Centres will appoint staff members to be internal verifiers. Internal verifiers will ensure that assessors apply standards of assessment uniformly and consistently. They should keep records of internal verification activity for external verifiers to access. Examples of records include:

- ◆ evidence of planned verification for the semester which conforms to the centre's verification strategy.
- ◆ minutes of meetings where assessment work is examined and where discussion about acceptable standards is noted and decisions recorded.
- ◆ internal verification forms showing which students' work has been verified and the outcome. Note where an assessor carries out observations, internal verifiers should also observe the assessor.
- ◆ evidence of discussion and support of assessors, particularly where student work has not been accepted by the internal verifier.
- ◆ evidence of reporting back to the Course Team, any recommendations/actions required and evidence that these are acted upon.

10.4 External verification

To ensure national consistency in assessment decisions, SQA appoints experienced teachers/lecturers who have good, recent experience in the delivery and assessment of their subject to carry out external verification in centres. SQA will notify the SQA Co-ordinator if your centre has been selected for verification.

SQA wants to encourage centres and staff to see verification in a positive light, as a valuable Quality Improvement tool.

11 Professional Recognition

The Association of Chartered Certified Accountants (ACCA) and the Chartered Institute of Management Accountants (CIMA) provide articulation to their professional qualifications and exemptions from certain examinations.

Details of exemption arrangements are set out in Appendices 4(a) and 4(b).

History of changes

It is anticipated that changes will take place during the life of the qualification, and this section will record these changes. This document is the latest version and incorporates the changes summarised below.

Version number	Description	Date
06	Revision of Unit: <i>F84V 34 IT in Business: Spreadsheets</i> has been replaced by <i>HH83 34 IT in Business: Spreadsheets</i> and will finish 31/07/2019.	23/03/2017
05	Appendix 4(b) updated.	19/10/16
04	Revision of Unit: <i>(DE3N 34) Communication: Analysing and Presenting Complex Communication</i> has been revised by <i>(H7TK 34) Communication: Business Communication</i> and finished on 31/06/2016. Revision of Unit: <i>(F7R4 35) Financial Reporting and Analysis</i> has been revised by <i>(HC43 35) Financial Reporting and Analysis</i> and finished on 31/06/2016. Revision of Unit: <i>(F7R5 35) Accounting for Specialised Transactions</i> has been revised by <i>(HC44 35) Accounting for Specialised Transactions</i> and finished on 31/06/2016.	01/08/16
03	Details of Professional Recognition inserted — Section 11 and Appendices 4(a) and 4(b).	09/04/14
02	IAAP logo inserted on title page. Reference to IAAP inserted in Section 1.1 'Purpose of Course Tutor Guide', Section 2 'Setting up the Course' and Section 9 'Quality Assurance'.	12/03/14

Appendix 1a: Core Skills Year 1⁶

Unit code	Unit title	Communication		Numeracy		ICT		Problem Solving			Working with Others	
		Written Communication	Oral Communication	Using Number	Using Graphical Information	Accessing Information	Providing/Creating Information	Critical Thinking	Planning and Organising	Reviewing and Evaluating	Working Co-operatively with Others	Reviewing Co-operative Contribution
H7TK 34	Communication: Business Communication	SCQF 6 E	SCQF 6 E									
F7JV 34	Recording Financial Information			SCQF 5 E				SCQF 4 S				
F7JT 34	Preparing Financial Statements			SCQF 5 E								
F7JP 34	Using Financial Accounting Software						SCQF 5 E					
F7JR 34	Cost Accounting			SCQF 5 E								
F7JS 34	Management Accounting using IT			SCQF 6 E	SCQF 5 E							
F7BX 34	Marketing: An Introduction	SCQF 6 S	SCQF 6 S					SCQF 6 S	SCQF 6 S	SCQF 6 S		
DE3R 35	Personal Development Planning*	None										
F7J8 34	Economic Issues: An Introduction	SCQF 6 S	SCQF 6 S					SCQF 5 S	SCQF 5 S	SCQF 5 S		
F84T 34	Managing People and Organisations	SCQF 6 S						SCQF 6 S		SCQF 6 S		
H6A1 34	Financial and Business Management: Graded Unit 1*	None										

⁶S = signposted, E = embedded (**shade as S — yellow and E — green**)

* Although no Core Skills have been signposted or embedded in this Unit there are opportunities to develop.

Appendix 1b: Core Skills Year 2⁷

Unit code	Unit title	Communication		Numeracy		ICT		Problem Solving			Working with Others	
		Written Communication	Oral Communication	Using Number	Using Graphical Information	Accessing Information	Providing/Creating Information	Critical Thinking	Planning and Organising	Reviewing and Evaluating	Working Co-operatively with Others	Reviewing Co-operative Contribution
HC43 35	Financial Reporting and Analysis			SCQF 5 E				SCQF 5 E				
HC44 35	Accounting for Specialised Transactions			SCQF 5 E								
F82H 35	Management Accounting for Planning and Control			SCQF 6 E				SCQF 6 E				
F82J 35	Management Accounting for Decision Making			SCQF 6 E	SCQF 5 E			SCQF 6 E				
F7R6 35	Business Taxation			SCQF 5 E								
F84V 35	IT in Business: Spreadsheets			SCQF 5 E	SCQF 5 E	SCQF 5 S	SCQF 5 S	SCQF 5 E	SCQF 5 S	SCQF 5 S		
F7J7 35	Business Culture and Strategy	SCQF 6 S	SCQF 6 S				SCQF 6 S	SCQF 6 S	SCQF 6 S			
F84K 35	Statistics for Business			SCQF 6 E	SCQF 6 E	SCQF 5 S	SCQF 5 S					
F60A 34	Research Skills	SCQF 6 S	SCQF 6 S	SCQF 5 S	SCQF 5 S	SCQF 6 S	SCQF 6 S	SCQF 6 S	SCQF 6 S	SCQF 6 S		
H6A2 35	Financial and Business Management: Graded Unit 2			SCQF 5 E				SCQF 5 E	SCQF 5 E	SCQF 5 E		
H6A3 35	Financial and Business Management: Graded Unit 3*	None										

⁷S = signposted, E = embedded (**shade as S — yellow and E — green**)

* Although no Core Skills have been signposted or embedded in this Unit there are opportunities to develop.

Appendix 2a: Year 1, Semester 1 — Assessment Plan (Option A)

Unit name/Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Recording Financial Information (F7JV 34)									X	X	X					X	
Preparing Financial Statements (F7JT 34)												X					
Using Financial Accounting Software (F7JP 34)																	
Cost Accounting (F7JR 34)						X						X					
Management Accounting using Information Technology (F7JS 34)							X						X				
Marketing: An Introduction (F7BX 34)																	
Personal Development Planning (DE3R 34)																X, 1,2,3	
Economic Issues: An Introduction (F7J8 34)																	
Communication: Business Communication (H7TK 34)					X					X					X		
Managing People and Organisations (F84T 34)										X							X
Financial and Business Management Graded Unit 1 (H6A1 34)																	

Assessment submission date is shown by an X

X* indicates integrated assessment and Outcomes integrated.

Appendix 2a: Year 1, Semester 2 — Assessment Plan (Option A)

Unit name\Week	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Recording Financial Information (F7JV 34)																	
Preparing Financial Statements (F7JT 34)			X											X	X		
Using Financial Accounting Software (F7JP 34)								X		X		X		X			
Cost Accounting (F7JR 34)	X							X							X		
Management Accounting using Information Technology (F7JS 34)				X											X		
Marketing: An Introduction (F7BX 34)							X							X			
Personal Development Planning (DE3R 34)																	
Economic Issues: An Introduction (F7J8 34)						X								X			
Communication: Business Communication (H7TK 34)																	
Managing People and Organisations (F84T 34)						X									X		
Financial and Business Management: Graded Unit 1 (H6A1 34)									X Mock Exam				X Exam			X Resit Exam	

Assessment submission date is shown by an X

Appendix 2b: Year 2, Semester 1 — Assessment Plan (Option A)

Unit name\Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Financial Reporting and Analysis (HC43 35)					X										X		
Accounting for Specialised Transactions (HC44 35)						X						X					X
Management Accounting for Planning and Control (F82H 35)																	
Management Accounting for Decision Making (F82J 35)						X								X			
Business Taxation (F7R6 35)					X												
IT in Business: Spreadsheets (F84V 35)							X			X					X		
Business Culture and Strategy (F7J7 35)																	
Statistics for Business (F84K 35)					X				X						X		
Research Skills (F60A 34)																X	
Financial and Business Management: Graded Unit 2 (H6A2 35)						X											
Financial and Business Management: Graded Unit 3 (H6A3 35)																	

Assessment submission date is shown by an X

Appendix 2b: Year 2, Semester 2 — Assessment Plan (Option A)

Unit name\Week	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Financial Reporting and Analysis (HC43 35)							X								X		
Accounting for Specialised Transactions (HC44 35)																	
Management Accounting for Planning and Control (F82H 35)				X				X							X		
Management Accounting for Decision Making (F82J 35)		X						X						X			
Business Taxation (F7R6 35)												X 1,2,3,4					
IT in Business: Spreadsheets (F84V 35)																	
Business Culture and Strategy (F7J7 35)			X			X			X			X				X	
Statistics for Business (F84K 35)																	
Research Skills (F60A 34)																	
Financial and Business Management: Graded Unit 2 (H6A2 35)										X Development				X Evaluation			
Financial and Business Management: Graded Unit 3 (H6A3 35)									X Mock Exam				X Exam			X Resit Exam	

Assessment submission date is shown by an X



Appendix 3: HN Accounting — Error Tolerance Guidance Notes

The marking guidelines for the new HN Units have changed from candidates having to reach a percentage of available marks to achieve an Outcome (usually 70%), to an error tolerance consisting of arithmetic errors and errors of principle.

The exceptions to this are the Graded Units which remain unchanged.

The types of error which constitute errors of principle and arithmetic errors have been widely discussed and input has been received from stakeholders.

The information which follows is not meant to be an exhaustive list, merely a guidance note to assist assessors in making assessment decisions under the new frameworks.

Error tolerance statements are included in each of the revised Unit specifications for each Outcome and, as with the existing Units, the professional judgement of the assessor will be at the centre of assessment decisions.

In addition to the list provided, an example of a marked script is also available to illustrate the marking of assessments under the new guidelines. This can be downloaded from SQA's secure website.

Types of Errors

Commonly in the Unit specifications, two types of errors will be mentioned — Arithmetic Errors and Errors of Principle.

Arithmetic Errors

Common types of errors which are likely to be classified as arithmetic are:

- ◆ Transposition errors
- ◆ Errors where candidates write 'add' but subtract the figure instead
- ◆ Incorrect processing of £000s where a Trial Balance, for example, is presented in £000 but the notes to the accounts provide the full figures and the candidate has included the full figure, including the £000
- ◆ Incorrect totals — the individual figures may be correct but the addition and subtraction has been incorrectly completed
- ◆ Running balances in ledger accounts not correctly identified as Debit or Credit
- ◆ Incorrect calculations of inventory in inventory valuation tasks
- ◆ Incorrect application of time multiplied by rate, for example in wages calculations
- ◆ Incorrect calculation of proportions in overhead analysis

Errors of Principle

Common types of errors which are likely to be classified as errors of principle are:

- ◆ Error of commission
- ◆ Error of omission
- ◆ Reversal of entries
- ◆ Incorrect classification of items in financial statements, eg Trade Payables included in current assets
- ◆ Incorrect use of inventory valuation methods
- ◆ Inclusion of depreciation in a Cash Budget
- ◆ Wrong equations used in variances
- ◆ Wrong figures selected for ratios
- ◆ Gross figures entered in the general ledger
- ◆ VAT calculations not correct
- ◆ Inappropriate method of apportionment
- ◆ When preparing master budgets, incorrect figures included in final accounts, eg figure for materials consumed included rather than materials purchased
- ◆ Depreciation calculations incorrectly carried out, ie reducing balance rather than straight line
- ◆ Incorrect calculation of contribution
- ◆ Outputs and inputs reversed in VAT
- ◆ Process costs calculated not taking wastage into account
- ◆ Ledger balances posted to the Trial Balance incorrectly, ie credit balances on stock accounts; sales in the DR (debit) column
- ◆ Capital allowances incorrectly identified

Appendix 4(a): ACCA Exemption

EXEMPTION ENQUIRY

FOUNDATIONS IN ACCOUNTANCY — EXEMPTIONS

Institution **Scottish Qualifications Authority (SQA)**

Programme **HND in Financial and Business Management — All Graduates**

Completion of the above programme provides exemption from the following paper(s):

Paper	Title
FA1	Recording Financial Transactions
FA2	Maintaining Financial Records
FAB	Accountant in Business
FFA	Financial Accounting
FMA	Management Accounting
MA1	Management Information
MA2	Managing Costs and Finance

NEED FURTHER ASSISTANCE?

students@accaglobal.com

EXEMPTION ENQUIRY

ACCA QUALIFICATION — EXEMPTIONS

Institution **Scottish Qualifications Authority (SQA)**

Programme **HND in Financial and Business Management — All Graduates**

Completion of the above programme provides exemption from the following paper(s):

Paper	Title
F1	Accountant in Business
F2	Management Accounting
F3	Financial Accounting

In addition, the paper(s) listed below will be exempted on the basis of the corresponding accredited modules.

Paper(s)		Accredited Modules
F5 Performance Management	on the basis of	MANAGEMENT ACCOUNTING FOR PLANNING AND CONTROL PLUS MANAGEMENT ACCOUNTING (INFORMATION) FOR DECISION MAKING

NEED FURTHER ASSISTANCE?

If you still have queries regarding exemptions you may be eligible to claim, please contact ACCA Connect ? our global customer service centre ? using following contact details:

e-mail: students@accaglobal.com

telephone: +44 (0)141 582 2000

Appendix 4(b): CIMA Accreditation Decision

HND Financial and Business Management (GJ13 16)

Intake: **From September 2014 to September 2018**

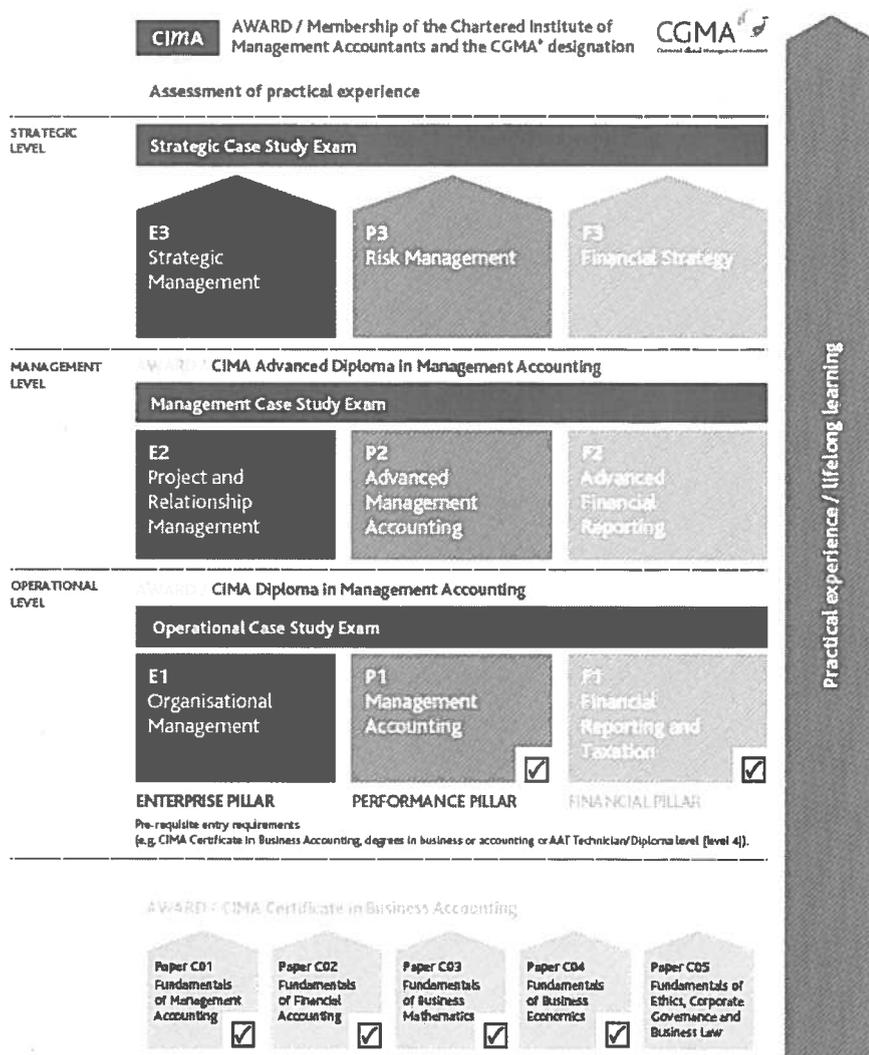
Graduation: **From July 2016 to July 2020**

SQA Award/Units	CIMA
CIMA Certificate in Business Accounting	
Cost Accounting (F7JR 34) <i>and</i> Management Accounting Using Information Technology (F7JS 34)	C01/BA2 Fundamentals of Management Accounting
Recording Financial Transactions (F7JV 34) <i>and</i> Preparing Financial Statements (F7JT 34)	C02/BA3 Fundamentals of Financial Accounting
(Recommended) Optional: Statistics for Business (F84K 35) Students can choose to waive the C03 exam but it is recommended they ensure they have a sound knowledge of business mathematics. The content is being redistributed under the 2017 syllabus to BA1, BA2 and BA3	C03 Fundamentals of Business Mathematics
Optional: Economic Issues: An Introduction (F7J8 34)	C04/BA1 Fundamentals of Business Economics
CIMA Diploma in Management Accounting (operational level)	
Management Accounting for Planning and Control (F82H 35) <i>and</i> Management Accounting for Decision Making (F82J 35)	P1 Management Accounting
Financial Reporting and Analysis (HC43 35) <i>and</i> Management Accounting for Planning and Control (F82H 35) <i>and</i> Management Accounting for Decision Making (F82J 35) <i>and</i> Business Taxation (F7R6 35)	F1 Financial Reporting and Analysis

The CIMA Qualification Framework

Scottish Qualifications Authority
 HND Business & Financial Management
 2014 to 2018 intake
 2016 to 2020 completion

✓ Graduates are exempted from these exams



On successful completion of C05 (BA4) students will receive the CIMA Certificate in Business Accounting

The Chartered Institute of Management Accountants

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