



SQA Advanced Unit specification: general information

This Graded Unit has been validated as part of the SQA Advanced Diploma in Financial Services. Centres are required to develop the assessment instrument in accordance with this validated specification. Centres wishing to use another type of Graded Unit or assessment instrument are required to submit proposals detailing the justification for change for validation.

Graded Unit title: Financial Services: Graded Unit 2

Graded Unit code: HP19 48

Type of Graded Unit: Examination

Assessment Instrument: Examination (open-book)

Publication date: July 2018

Source: Scottish Qualifications Authority

Version: 02

Unit purpose

This Graded Unit is designed to provide evidence that the candidate has achieved the following principal aims of the SQA Advanced Diploma in Financial Services:

- ◆ Developing candidates' knowledge of the financial services industry, its participants and products
- ◆ Developing the candidates' critical, analytical and interpretative abilities
- ◆ Developing an understanding of complex issues relating to the financial services industry

Recommended prior knowledge and skills

It is recommended that the candidate should have completed or be in the process of completing the following Units relating to these specific aims prior to undertaking this Graded Unit:

<i>Financial Services Regulatory Framework</i>	HP16 48
<i>Income Tax</i>	HP15 48

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<i>Investment</i>	HP1C 48
<i>Pension Provision</i>	HP1E 48
<i>Principles of Insurance</i>	HP1F 48

Credit points and level

1 SQA Credit at SCQF level 8: (8 SCQF credit points at SCQF level 8*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from National 1 to Doctorates.*

Core Skills

There are no Core Skills embedded in this Graded Unit specification.

Assessment

This examination-based Graded Unit is an open-book examination. It will consist of an examination of three hours duration.

The assessment exemplar for this Unit provides assessment and marking guidelines that exemplify the national standard for achievement. It is a valid, reliable and practicable instrument of assessment. Centres wishing to develop their own assessments should refer to the assessment exemplar to ensure a comparable standard. Assessment exemplars are available on SQA's secure website.

SQA Advanced Graded Unit specification: instructions for designing the assessment task and assessing candidates

Graded Unit title: Financial Services: Graded Unit 2

Conditions of assessment

The assessment is based on an open-book examination lasting three hours.

Reasonable assistance is the term used by SQA to describe the difference between providing candidates with some direction to generate the required evidence for assessment and providing too much support, which would compromise the integrity of the assessment. Reasonable assistance is part of all learning and teaching processes.

In relation to the assessment of Advanced Certificate/Diploma examination-based graded units, assessors may provide advice and guidance on examination technique and clarification on the meaning of command words which may appear within an examination paper, prior to the formal examination.

Remediation is not allowed in Examination-based Graded Unit assessments.

Any candidate who has failed their Advanced Certificate/Diploma examination-based graded unit or wishes to upgrade their award must be given a re-assessment opportunity, or in exceptional circumstances, two re-assessment opportunities. This must be done by using a substantially different examination.

The final grading given must reflect the quality of the candidate's evidence at the time of the completion of the graded unit. Candidates must be awarded the highest grade achieved, whether through first sitting or through any re-assessment.

The examination should be unseen and the assessment should be conducted in controlled and invigilated conditions.

The candidate will be expected to answer examination questions with the aid of reference and/or source materials. These may include either recommended textbooks or notes prepared by the candidates. Candidates are also permitted to use only non-programmable calculators.

At all times, the security, integrity and confidentiality of examinations must be ensured.

Instructions for designing the assessment task

The examination should be designed to assess the candidate's critical knowledge and understanding of the topics relating to the specific aims which this Graded Unit is designed to cover. The questions and corresponding marks should be designed in accordance with the ranges indicated in the table that follows. However, the overall total mark for the examination is 100.

Key topics	Level of demand	Percentage weighting for each topic
Income Tax <ul style="list-style-type: none"> ◆ UK Income Tax system ◆ PAYE ◆ Taxable Income ◆ Benefits in kind ◆ Application of Personal Allowances 	Analysis, calculation, recalling, explaining	20-30%
Investment <ul style="list-style-type: none"> ◆ Calculations relating to gilts yields or purchase consideration ◆ Calculations relating to rights or bonus issues, or investor ratios ◆ Stock market operations ◆ Stock market participants ◆ Methods of issuing shares ◆ Shareholder information 	Analysis, calculation, recalling, explaining	10-20%
Pension Provision <ul style="list-style-type: none"> ◆ State pension provision ◆ Inland Revenue benefits and limits ◆ The operation of employer run occupational schemes ◆ The operation of additional contributions ◆ The operation of non-standard pension schemes 	Analysis, calculation, recalling, explaining	20-30%
Principles of Insurance <ul style="list-style-type: none"> ◆ Type, scope, function or purpose of insurance ◆ Insurance products ◆ Matching protection needs to products ◆ Life Policy features 	Analysis, calculation, recalling, explaining	20-30%
Financial Services - Regulatory Framework <ul style="list-style-type: none"> ◆ Role, powers, functions and responsibilities of FSA ◆ Risk monitoring ◆ Authorisation ◆ FSA Business Standards ◆ Controlled and Significant Influence Functions 	Analysis, calculation, recalling, explaining	10-20%

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<ul style="list-style-type: none">◆ Treating Customers Fairly◆ Investor Documentation◆ Prevention of financial crime◆ Complaints and Compensation schemes		
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The examination will be marked out of 100. Assessors will aggregate the marks achieved by the candidate to arrive at an overall mark for the examination. Assessors will then assign a grade to the candidate for this Graded Unit based on the following grade boundaries:

- ◆ A = 70%–100%
- ◆ B = 60%–69%
- ◆ C = 50%–59%

Guidance on grading candidates

Candidates who meet the minimum Evidence Requirements will have their achievement graded as a C (competent), A (highly competent), or B (somewhere between A and C). The grade-related criteria to be used to judge candidate performance for this Graded Unit is specified in the following table:

Grade-related criteria	
Grade A	Grade C
<p>Is a seamless, coherent piece of work or exam script which consistently:</p> <ul style="list-style-type: none"> ◆ Explicitly addresses the main elements of the question ◆ Shows consistent and precise use of relevant terminology ◆ Has a logical structure and is clearly and coherently expressed ◆ Shows the candidate can perform calculations in a logical manner to the required level of accuracy ◆ Demonstrates a detailed knowledge of the subject areas within the award. 	<p>Is a co-ordinated piece of work or exam script which:</p> <ul style="list-style-type: none"> ◆ Shows recognition of the main elements of the question ◆ Uses relevant terminology but in a vague manner ◆ Has a lack of coherent structure ◆ Shows the candidate can perform calculations in a competent manner ◆ Demonstrates understanding of the subject areas within the award

Support notes

This part of the Unit specification is offered as guidance. The support notes are not mandatory. While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

As well as having a three hour examination, the Unit includes notional study time to allow candidates to prepare for the examination. Much of the time in this Unit will be taken up in preparation for the examination both in revising the material covered in the relevant Financial Services Units and also in improving examination technique.

The main purpose of the Financial Services: Graded Unit 2 is to assess the candidate's ability to apply knowledge based on the Financial Services Units specified under the **Recommended prior knowledge and skills** in this Graded Unit specification. Centres should make every attempt to ensure that questions are set within a realistic financial services context and that wherever possible a practical context is used.

Equality and inclusion

This graded unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. Further advice can be found on our website www.sqa.org.uk/assessmentarrangements

History of changes to Unit

Version	Description of change	Date
02	Update to Conditions of Assessment.	26/07/18

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SQA acknowledges the valuable contribution that Scotland's colleges have made to the development of SQA Advanced Qualifications.

FURTHER INFORMATION: Call SQA's Customer Contact Centre on 44 (0) 141 500 5030 or 0345 279 1000. Alternatively, complete our [Centre Feedback Form](#).

General information for candidates

Graded Unit title: Financial Services: Graded Unit 2

This Unit is a mandatory element of the SQA Advanced Diploma in Financial Services Group Award and is designed to assess your ability to integrate knowledge and understanding across the mandatory Units *Financial Services Regulatory Framework* (HP16 48); *Income Tax* (HP15 48); *Investment* (HP1C 48); *Pension Provision* (HP1E 48) and *Principles of Insurance* (HP1F 48)

This is an examination-based Graded Unit. It will consist of an examination of three hours duration undertaken in open-book supervised conditions. Individual questions in the examination may integrate the knowledge and understanding from more than one subject area.

You will be allowed to answer examination questions with the aid of reference and/or source materials. These may include either recommended textbooks or notes you have prepared. You are also permitted to use only non-programmable calculators.

The Graded Unit is a compulsory element of the SQA Advanced Diploma in Financial Services Group Award and will be awarded at the following grades:

Grade A = 70%–100%

Grade B = 60%–69%

Grade C = 50%–59%