

## Higher National Unit Specification

### General information for centres

**Unit title:** Printing Industry: Financial Reporting

**Unit code:** F13A 34

**Unit purpose:** This Unit is designed to prepare candidates for financial management aspects of their work in the printing industry. It is primarily intended for candidates who expect to take up a career within an administration function within the printing industry.

On completion of the Unit the candidate should be able to:

- 1 Describe the need for budgetary control within a printing company.
- 2 Compile a cash budget.
- 3 Analyse financial data and recommend appropriate action.

**Credit points and level:** 1 HN Credit at SCQF level 7: (8 SCQF credit points at SCQF level 7\*)

*\*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 Access 1 to Doctorates.*

**Recommended prior knowledge and skills:** Access to this Unit is at the discretion of the centre. However, candidates would normally be expected to have competence in communication and Numeracy skills at SCQF level 4 or similar qualification or experience.

**Core Skills:** There are opportunities to develop the Core Skill of Numeracy at SCQF level 5 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

**Context for delivery:** If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

**Assessment:** The Unit will be assessed using open-book supervised assessments, in response to case studies.

Assessment for Outcome 1 could be centred around the main reason for the need for budgetary control within a printing business and also the advantages and limitations of operating a system of budgetary control within a printing business.

Outcome 2 will require candidates to compile a cash budget.

Outcome 3 should be conducted under open-book, controlled conditions where candidates would have access to their own previously worked examples, and should provide evidence which demonstrates the candidate's ability to recommend appropriate action through analysis of financial data.

### Higher National Unit specification: statement of standards

## **Unit title:** Printing Industry: Financial Reporting

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The sections of the Unit stating the Outcomes, knowledge and/or skills, and evidence requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

### **Outcome 1**

Describe the need for budgetary control within a printing business

#### **Knowledge and/or skills**

- ◆ Reasons for budgetary control
- ◆ Advantages and limitations of budgetary control

#### **Evidence Requirements**

The candidate should correctly outline the reasons for maintaining budgetary control relative to cash, inventories, trade payables, trade receivables, sales and production. The candidate should also explain the advantages and limitations of budgetary control within a printing business, relative to management decision making.

Evidence should be generated under open-book supervised conditions.

#### **Assessment guidelines**

Candidates could be given a case study and asked to outline the reasons why budgetary control is important, including the advantages and limitations of budgetary control, and the reasons for maintaining budgetary control.

### **Outcome 2**

Compile a cash budget

#### **Knowledge and/or skills**

- ◆ Cash budget preparation

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by compiling a cash budget.

A single cash budget which accurately predicts cash shortfalls and surpluses should be prepared from financial information supplied.

## **Higher National Unit specification: statement of standards (cont)**

### **Unit title:** Printing Industry: Financial Reporting

Evidence should be generated under open-book supervised conditions. Candidates may have access to previously worked examples.

#### **Assessment guidelines**

Candidates could be asked to prepare a cash budget, using manual methods, by completing given pro formas.

### **Outcome 3**

Analyse financial data and recommend appropriate action

#### **Knowledge and/or skills**

- ◆ Information from financial accounting statements
- ◆ British Printing Industries Federation (BPIF) Management Ratio Scheme
- ◆ Use of ratios

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their knowledge and skills by showing that they can analyse financial data and recommend appropriate action by interpreting financial accounting statements. Candidates should be able to:

Accurately calculate key accounting ratios covering the areas of profitability, liquidity, efficiency and capital structure using figures covering two accounting periods. A minimum of two ratios should be given for each area.

Accurately assess the organisation's recent performance and financial position.

Draw accurate conclusions and make appropriate recommendations for the information given and making reference to the BPIF Management Ratio Scheme.

The evidence submitted should include all formulae used and all workings. Satisfactory performance will consist of information which correctly describes the BPIF Management Ratio Scheme and using key ratios compare financial statements for two accounting periods of an organisation's activity.

Assessment should be open book under controlled conditions. Candidates can have access to their own previously worked exercises made by themselves and these should be retained at the end of the assessment. Candidates would not be given access to the assessment in advance. Completed assessments should have a maximum of three errors in total.

#### **Assessment guidelines**

Candidates could be asked to respond to a case study by producing a report that meets all aspects of the evidence requirements including an explanation of the ratios used. They should not have access to textbooks, handouts or materials not prepared by themselves.

## Administrative Information

**Unit code:** F13A 34  
**Unit title:** Printing Industry: Financial Reporting  
**Superclass category:** AK  
**Original date of publication:** August 2006  
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### History of Changes:

Version	Description of change	Date

**Source:** SQA

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## **Higher National Unit specification: support notes**

### **Unit title:** Printing Industry: Financial Reporting

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.

### **Guidance on the content and context for this Unit**

This Unit is an optional Unit in the HNC/HND Printing Group Awards.

There should be comprehensive notes given to candidates throughout this Unit as they are likely to use this information to formulate their own notes which they are allowed to take into the assessment. In Outcomes 1 and 2 this should include information on budgetary control and budgetary control within the print industry. The notes should include information on the advantages and limitations of budgetary control and preparation of cash budgets.

In Outcome 3 a range of different ratios used in business should be explained and comparisons made so that candidates can clearly see what should be done if a ratio goes up or goes down, the consequences it has for the organisation and the steps the organisation should take to address the issue. The ratios to be covered should be those about profitability, liquidity, efficiency and capital structure.

### **Guidance on the delivery and assessment of this Unit**

#### **Outcome 1**

Comprehensive notes should be provided to candidates to permit them to respond to a series of questions. The notes should have particular reference to the print industry.

#### **Outcome 2**

Cash budget should be taught with a series of graded exercises leading up to the candidate being able to prepare a cash budget from given information.

#### **Outcome 3**

Candidates should be introduced to ratio analysis and should be given through a series of graded exercises the opportunity to compare and contrast and draw conclusions from the information given. Ideally the information should be based on two sequential trading periods so that genuine comparisons can be made. The BPIF Management Ratio scheme should be explained in detail. Candidates need to be able to calculate ratios, draw conclusions and make recommendations.

#### ***Opportunities for developing Core Skills***

The Core Skill of Numeracy is developed throughout this Unit with candidates being asked to decide what ratios to use, work confidently with these figures in a statistical context to the extent of drawing conclusions and suggesting ways of handling any issues arising. Some of these figures will require complex calculations which will involve decimals, multiplying, dividing and rounding off figures.

## **Higher National Unit specification: support notes**

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### **Open learning**

This Unit could be delivered by distance learning. However, it would require planning by the centre to ensure the sufficiency and authenticity of candidate evidence for example through oral questioning. Additionally arrangements would have to be made to ensure supervision was available for those sitting assessments as all assessments should be carried out under supervised conditions. Candidates would benefit from having access to computer hardware and word processing software.

### **Candidates with disabilities and/or additional support needs**

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Alternative Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs*, which is available on SQA's website: [www.sqa.org.uk](http://www.sqa.org.uk).

## **General information for candidates**

### **Unit title: Printing Industry: Financial Reporting**

This Unit is designed to provide you with an understanding of the use of financial information within a printing organisation. It will be especially useful if you expect to take up a career within an administration function within the printing industry, however is not suitable if you wish to pursue a specialist accounting course. In the Unit you will gain practical experience in the preparation of cash budgets, from given information as well as examining the main reasons for operating a system of budgetary control within a printing company. This will examine the advantages and limitations of operating a system within the industry.

Finally you will develop skills to enable you to analyse the financial position and overall performance of a printing business by applying key management ratios, make recommendations and draw conclusions.

You will also have the opportunity to extend your numeracy skills through the application and calculation of ratios.

Some of the course work may be undertaken through group discussion followed by individual work activity.

The assessments for this Unit are completed under controlled supervised conditions however you may bring notes which you have made personally for your own use. These notes will be handed in along with your assessment. You are not permitted to bring textbooks or other materials with you.