



Higher National Unit specification

General information for centres

Unit title: Hospitality: Financial and Control Systems

Unit code: DL3T 34

Unit purpose: This Unit is designed to introduce candidates to various control systems for use in the Hospitality Industry.

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

- 1 Operate a spreadsheet based system for the standard costing of recipes.
- 2 Operate a food and beverage costing and control system.
- 3 Operate control systems at selling price.
- 4 Analyse costs and calculate break-even point.

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: Candidates should have good communication and numerical competence and some familiarity with the use of spreadsheets and graphical presentation. Other knowledge, skills and experience relevant to the Unit would also be beneficial.

The previous study of hospitality control through National Qualifications at Intermediate or Higher level, or other similar qualifications, is desirable but not essential. Ultimately, entry is at the discretion of the centre.

Core Skills: There may be opportunities to gather evidence towards Core Skills 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. This Unit is included in the framework of the HNC/HND Hospitality etc.

Assessment: It is recommended that each Outcome is assessed separately. Alternatively Outcomes 1 and 3 could be integrated into one assessment. The assessments cover calculation of selling price, questioning relating to costing and types of cost, completion of stock control summary sheet.

Higher National Unit specification: statement of standards

Unit title: Hospitality: Financial and Control Systems

Unit code: DL3T 34

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

Operate a spreadsheet based system for the standard costing of recipes

Knowledge and/or Skills

- ◆ Costing of standard recipes and calculation of selling prices to include VAT on a spreadsheet.
- ◆ Amending cost prices of ingredients and the effect on recipe costs on a spreadsheet
- ◆ Amending gross profit percentage required to show the effect on selling price on a spreadsheet system

Evidence Requirements

The candidate must provide evidence that they can calculate the selling price of recipes by computer.

Candidates must calculate the selling price for a combined menu of three dishes with a minimum of 12 ingredients and including two ingredient price changes. Selling Price should be shown at two different Gross Profits inclusive of VAT.

Assessment Guidelines

Candidates should produce a portfolio of evidence including product evidence, to demonstrate their knowledge of recipe costing.

Higher National Unit specification: statement of standards (cont)

Unit title: Hospitality: Financial and Control Systems

Outcome 2

Operate a food and beverage costing and control system

Knowledge and/or Skills

- ◆ Identification of elements of cost and profit
- ◆ Calculation of cost of raw materials consumed
- ◆ Differentiation between 'mark-up' and 'margin'
- ◆ The calculation of gross profit and net profit
- ◆ The calculation of each element as a percentage of sales
- ◆ Preparation of cost and profit statements at cost price

Evidence Requirements

The candidate is required to produce a portfolio of evidence to demonstrate his/her Knowledge and/or Skills to show that they can:

- ◆ Perform a variety of calculations involving the 'elements of cost'
- ◆ Prepare cost and profit statements showing appropriate percentages

Assessment Guidelines

The evidence should be written and generated under supervised conditions.
To achieve this Outcome candidates should attain 70% of the available marks.

Candidates should be encouraged to present work neatly at all times.

Higher National Unit specification: statement of standards (cont)

Unit title: Hospitality: Financial and Control Systems

Outcome 3

Operate stock control systems at selling price

Knowledge and/or Skills

For either food or liquor as appropriate:

- ◆ Calculation of stock consumed and its valuation at both cost and selling price
- ◆ Preparation of control statements at selling price both manually and by computer
- ◆ Calculation of deviation of actual sales from notional sales with possible reasons

Evidence Requirements

The candidate is required to produce a portfolio of evidence under supervised conditions to demonstrate his/her Knowledge and / or Skills to show that they can:

- ◆ Compile stock consumption summary sheets at both cost and selling price, manually and by computer
- ◆ Compile control statements at selling price showing surplus / deficits manually and by computer
- ◆ Give reasons for surplus / deficit

Each control statement should show a minimum of 1 stock transfer in and 1 stock transfer out.

Assessment Guidelines

The assessment should be supervised to ensure that it is the candidates' own work.

Alternatively, the assessment of Outcomes 1 and 3 may be undertaken using an integrated exercise. If an integrated assessment exercise is preferred, the stock consumption summary sheet can be set up to provide the linked price list for the recipe costing in Outcome 1.

Higher National Unit specification: statement of standards (cont)

Unit title: Hospitality: Financial and Control Systems

Outcome 4

Analyse costs and calculate break-even point

Knowledge and/or Skills

- ◆ Differentiate between fixed, variable and semi-fixed costs
- ◆ Calculation of Unit variable costs
- ◆ Calculation of Unit contribution (to fixed costs and profit)
- ◆ Calculation of break-even point by calculation
- ◆ Construct a tabular statement
- ◆ Construct a break-even graph

Evidence Requirements

The candidate is required to produce evidence to demonstrate his/her Knowledge and/or Skills to show that he/she can:

Differentiate between different types of cost; calculate Unit variable costs; Unit contribution and break even point for covers and sales.

Assessment Guidelines

The assessment of this Outcome should be conducted under supervised conditions and is designed to enable the average candidate to complete it in 45 minutes.

The assessment should contain one question whereby the candidate is required to calculate Unit variable costs, Unit contribution and break even point for covers and sales from given information and provide a tabular statement and graph

The evidence should be written and generated under supervised conditions using pro-forma. To achieve this Outcome candidates should attain 70% of the available marks.

Candidates should be encouraged to present work neatly at all times.

Administrative Information

Unit code:	DL3T 34
Unit title:	Hospitality: Financial and Control Systems
Superclass category:	NA
Original date of publication:	August 2004
Version:	02 (January 2009)

History of changes:

Version	Description of change	Date
02	Requirement to assess manual costing of recipes removed.	January 2009

Source: SQA

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Higher National Unit specification: support notes

Unit title: Hospitality: Financial and Control Systems

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

It is important in delivery to ensure that candidates have a thorough grounding on which they can build in subsequent Units.

Outcome 1 covers the standard costing of recipes. When introducing the addition of VAT to selling prices, the opportunity should be taken to include an overview of the operation of the VAT system and calculation of the VAT component of transactions. Although not assessed, operation of a manual system should be covered in the delivery of this Outcome.

Outcome 2 covers the operation of a food and beverage costing and control system. It includes calculations on the elements of cost, gross and net profit and the preparation of cost and profit statements. The differentiation between 'margin' and 'mark-up' should be clearly explained.

Outcomes 1 and 3 provide an opportunity to incorporate the operation of spreadsheets within a control environment.

Outcome 3 covers the calculation of stock consumed following stocktaking, its valuation at cost and selling price; the comparison of calculated sales with actual sales and possible reasons for deviations.

Outcome 4 provides a simple introduction to different types of costs and break-even point

Guidance on the delivery and assessment of this Unit

It is recommended that each Outcome is assessed separately, however there are opportunities for integration of assessments.

Outcome 1

Candidates are required to calculate the selling price of recipes, including VAT and should calculate two gross profits.

Outcome 2

Candidates are required to prepare cost and profit statements and perform calculations involving elements of cost.

Higher National Unit specification: support notes (cont)

Unit title: Hospitality: Financial and Control Systems

Outcome 3

Candidates are required to produce stock consumption summary sheets at cost and selling price.

Outcome 4

Candidates are required to calculate Unit variable costs, Unit contribution and break even point covers and sales.

Open learning

This Unit could be delivered by open or distance learning. However, it will require planning by the centre to ensure the sufficiency and authenticity of candidate evidence. Arrangements would have to be made to ensure that the assessment is conducted under supervision.

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. Further advice can be found in the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (www.sqa.org.uk).

General information for candidates

Unit title: Hospitality: Financial and Control Systems

This Unit introduces the concepts of control and associated activities within the Hospitality industry and provides you with a thorough grounding for further study in this area.

Outcome 1 covers the standard costing of recipes. When introducing the addition of VAT to selling prices, the opportunity should be taken to include an overview of the operation of the VAT system and calculation of the VAT component of transactions.

Outcome 2 covers the operation of a food and beverage costing and control system. It includes calculations on the elements of cost, gross and net profit and the preparation of cost and profit statements. The differentiation between 'margin' and 'mark-up' should be clearly explained.

Outcomes 1 and 3 provide an opportunity to incorporate the operation of spreadsheets within a control environment.

Outcome 3 covers the calculation of stock consumed following stocktaking, its valuation at cost and selling price; the comparison of calculated sales with actual sales and possible reasons for deviations.

Outcome 4 provides a simple introduction to different types of costs and break-even point.