



## Higher National Unit Specification

### General information

**Unit title:** Facilities Management: Management Accounting  
(SCQF level 8)

**Unit code:** HX56 35

**Superclass:** VH

**Publication date:** January 2018

**Source:** Scottish Qualifications Authority

**Version:** 01

### Unit purpose

This unit enables the learner gain an understanding of the principles of financial management and financial principles and practices in relation to facilities management. Learners will gain knowledge and understanding of the effective management of budgets, cash flow and financial cases.

This unit is suited to learners who are working or seeking work within the field of facilities management and is part of the HND Facilities Management Group Award.

### Outcomes

On successful completion of the unit the learner will be able to:

- 1 Describe the principles and practices of management accounting within facilities management.
- 2 Apply management and review processes of capital and revenue budgets within a facilities management context.
- 3 Apply working cash flow techniques.

### Credit points and level

1 Higher National Unit credit at SCQF level 8: (8 SCQF credit points at SCQF level 8)

## Higher National Unit Specification: General information (cont)

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(SCQF level 8)

### Recommended entry to the unit

Entry to this unit is at the discretion of the delivering centre; however it would be beneficial if the learner has prior experience of the facilities management industry. It is recommended that learners have some experience of studying Facilities Management at Higher National level and that they will already have achieved the HNC Unit HL9G 34 *Facilities Management: Financial Management*.

### Core Skills

Opportunities to develop aspects of Core Skills are highlighted in the support notes for this unit specification.

There is no automatic certification of Core Skills or Core Skill components in this unit.

### 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.

### Equality and inclusion

This unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website [www.sqa.org.uk/assessmentarrangements](http://www.sqa.org.uk/assessmentarrangements).

## Higher National Unit Specification: Statement of standards

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(SCQF level 8)

Acceptable performance in this unit will be the satisfactory achievement of the standards set out in this part of the unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

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. Learners 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 principles and practices of management accounting within facilities management.

#### Knowledge and/or skills

- ◆ Management accounting techniques
- ◆ Financial systems and processes
- ◆ Principles of financial auditing
- ◆ Financial code of ethics in relation to:
  - corporate responsibility
- ◆ Appropriate adjustments in relation to:
  - good practice
  - transparency

### Outcome 2

Apply management and review processes of capital and revenue budgets within a facilities management context.

#### Knowledge and/or skills

- ◆ Capital and revenue budgets:
  - review and management techniques
  - techniques to set and acquire capital budgets
  - techniques to set revenue budgets
- ◆ Tools of financial appraisal

### Outcome 3

Apply working cash flow techniques.

#### Knowledge and/or skills

- ◆ Principles, techniques and processes of cash flow for:
  - facilities management business cycle
  - contracts and projects

## Higher National Unit Specification: Statement of standards (cont)

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(SCQF level 8)

### Evidence requirements for this unit

Learners will need to provide evidence to demonstrate their knowledge and/or skills across all outcomes by showing that they can:

#### For Outcome 1

- ◆ describe management accounting techniques which support the facilities management process.
- ◆ describe the financial systems and processes used for the effective management of facilities management budgets.
- ◆ explain the principles of financial auditing, with reference to their application within facilities management.
- ◆ discuss the financial implications of using codes of ethics in the context of corporate responsibility.
- ◆ describe suitable adjustments to improve good practice and transparency explaining how a true and fair view of assets, liabilities profits and costs can be presented.

#### For Outcome 2

- ◆ prepare a revenue budget.
- ◆ review and manage a revenue budget.
- ◆ set, review and manage a capital budget.
- ◆ describe financial appraisal tools and how these are used to inform financial management and budgetary decisions.

#### For Outcome 3

- ◆ apply the principles, techniques and processes of cash flow projections to manage the flow of cash within the facilities management business cycle.
- ◆ apply the principles, techniques and processes in the management of cash flow for contracts and projects.



## Higher National Unit Support Notes

**Unit title:** Facilities Management: Management Accounting  
(SCQF level 8)

Unit support notes are offered as guidance and 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

The following guidance provides additional information on the extent and scope of information learners could expect to display when meeting outcomes.

This unit could contribute underpinning knowledge for the National Occupational Standards (NOS) unit Manage finance for facilities management (ASTFM506).

#### For Outcome 1:

- ◆ Management accounting techniques is expected to include return on capital employed, return on investment, internal rate of return, discounted cash flow, asset values, balance sheets, profit and loss accounts, budget control and reporting, and accrual management.
- ◆ Financial systems and processes are expected to include accounts payable, accounts receivable, cash flow, budget coding and monitoring, capital and revenue spend profiling and asset registers.
- ◆ The principles of financial auditing are expected to include 'true and fair' probity, conformance and accuracy and to be related to processes such as the use of levels of authority, devolved authority and sample checking.
- ◆ The implications of using codes of ethics should be related to concerns such as the avoidance of fraud and waste, ensuring best value for money, avoidance of financial penalties (fines) and maintaining reputation.
- ◆ The recommended adjustments and the explanation of how to present a true and fair view should be related to the management accounting techniques and financial systems used within facilities management.

#### For Outcome 2:

- ◆ The management of both revenue and capital budgets should take account of issues such as the lag between committed spends and payment, the use of stage payments and retentions, seasonal effects, and tracking of spend and savings against individual projects.
- ◆ The tools used to inform financial management and budgetary decisions should include examples such as whole life costing, discounted cash flow, net present value, internal rate of return, and return on capital employed, savings targets, efficiency savings, hidden costs, 3rd party involvement, external auditing, understanding of VAT reclaim, use of available subsidies.

## Higher National Unit Support Notes (cont)

**Unit title:** Facilities Management: Management Accounting  
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### For Outcome 3:

- ◆ The principles, techniques and processes for cash flow management within the facilities management business cycle is expected to include the raising and processing of purchase orders, authorisation of payments, accrual management, stock management, flexing of people, resources and budgets, and revenue protection.
- ◆ Their application in relation to contacts and projects should take account of the business case and the impact of time passing for example, on project slippage and on contracts that cover more than one financial year.
- ◆ For learners who will be unable to acquire this level of detail a case study could be provided to complete learning Outcomes 2 and 3.

### Guidance on approaches to delivery of this unit

This unit is likely to form part of a group award designed to provide learners with technical and professional skills and knowledge for employment within the facilities management sector. It supports delivery for learners who are employed within this field and will be able to draw on their previous knowledge and experience of the sector. It would be appropriate for centres to contextualise their teaching and encourage learners to use evidence and case studies from employment.

### Guidance on approaches to assessment of this unit

Evidence can be generated using different types of assessment. The following are suggestions only. There may be other methods that would be more suitable to learners.

Centres are reminded that prior verification of centre-devised assessments would help to ensure that the national standard is being met. Where learners experience a range of assessment methods, this helps them to develop different skills that should be transferable to work or further and higher education.

Due to the focus on vocational skills and experience relevant to the facilities management sector throughout this unit, suggested method for assessment will focus on utilising the learner's own experience. Suitable forms of assessment could include essays, presentations and extended response questions. The use of relevant case studies could help relate assessments to real working situations and contexts.

As a result of the close financial links with strategy and contracts, within facilities management, this unit would benefit from being delivered alongside F7J7 35 *Business Culture and Strategy*, HX59 35 *Facilities Management: Managing Relationships with Suppliers and Specialists*, HX5A 35 *Facilities Management: Managing Procurement and Contracts* and HX58 35 *Facilities Management: Managing Negotiations*.

## Higher National Unit Support Notes (cont)

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The unit can be assessed outcome by outcome, two or more outcomes together or all outcomes together, providing a holistic assessment of the unit. Outcomes 2 and 3 would benefit from being assessed through a practical application of management and review techniques for capital and revenue budgets and cash flows. This could be carried out through a provided case study or reflective work on learner's own experience.

Assessment could be delivered as an e-assessment if desired.

### Opportunities for e-assessment

E-assessment may be appropriate for some assessments in this unit. By e-assessment we mean assessment which is supported by Information and Communication Technology (ICT), such as e-testing or the use of e-portfolios or social software. Centres which wish to use e-assessment must ensure that the national standard is applied to all learner evidence and that conditions of assessment as specified in the evidence requirements are met, regardless of the mode of gathering evidence. The most up-to-date guidance on the use of e-assessment to support SQA's qualifications is available at [www.sqa.org.uk/e-assessment](http://www.sqa.org.uk/e-assessment).

### Opportunities for developing Core and other essential skills

There is no automatic certification of Core Skills or Core Skills components in this unit, however there may be opportunities to develop the Core Skills of *Communication*, *Numeracy*, *Information and Communication Technology (ICT)*, *Problem Solving* and *Working with Others* at SCQF level 7.

## History of changes to unit

Version	Description of change	Date

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## General information for learners

### **Unit title:** Facilities Management: Management Accounting (SCQF level 8)

This section will help you decide whether this is the unit for you by explaining what the unit is about, what you should know or be able to do before you start, what you will need to do during the unit and opportunities for further learning and employment.

This unit has been designed to develop your knowledge and understanding of the principles and practices of management accounting within the facilities management sector. You can expect to learn about the effective management of budgets, cash flow and financial cases.

In Outcome 1 you will learn about the principles and practices of management accounting within the facilities management context.

In Outcome 2 you will learn about the management and review processes of capital and revenue budgets within a facilities management context and be asked to apply this knowledge and skills.

In Outcome 3 you will learn about the management of cash flow and be asked to apply cash flow techniques in practice.

This unit can be assessed outcome by outcome or with two or more outcomes together. You will be asked to show practical application of your knowledge and skills and will be encouraged to link assessments to your experience within the facilities management sector.