



National 5  
Course  
Specification



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# National 5 Accounting Course Specification (C700 75)

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Please refer to the note of changes at the end of this Course Specification for details of changes from previous version (where applicable).

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# Course outline

**Course title:** National 5 Accounting

**SCQF:** level 5 (24 SCQF credit points)

**Course code:** C700 75

## Mandatory Units

<b>H1YP 75</b>	<b>Preparing Financial Accounting Information (National 5)</b>	<b>6 SCQF credit points</b>
<b>H1YR 75</b>	<b>Preparing Management Accounting Information (National 5)</b>	<b>6 SCQF credit points</b>
<b>H1YS 75</b>	<b>Analysing Accounting Information (National 5)</b>	<b>6 SCQF credit points</b>

**Course assessment** **6 SCQF credit points**

This Course includes six SCQF credit points to allow additional time for preparation for Course assessment. The Course assessment covers the added value of the Course. Further information on the Course assessment is provided in the Assessment section.

## Recommended entry

Entry to this Course is at the discretion of the centre. However, learners would normally be expected to have attained the skills, knowledge and understanding required by one or more of the following or by equivalent qualifications and/or experience:

- ◆ National 4 Business Course or relevant component Units
- ◆ National 4 Mathematics Course

In terms of prior learning and experience, relevant experiences and outcomes may also provide an appropriate basis for doing this Course.

## Progression

This Course or its Units may provide progression to:

- ◆ other qualifications in Accounting or related areas
- ◆ further study, employment or training

Further details are provided in the Rationale section.

## Equality and inclusion

This Course 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. For further information, please refer to the *Course Support Notes*.

## **Rationale**

All new and revised National Courses reflect the Curriculum for Excellence values, purposes and principles. They offer flexibility, provide more time for learning, more focus on skills and applying learning, and scope for personalisation and choice.

In this Course, and its component Units, there will be an emphasis on skills development and the application of those skills. Assessment approaches will be proportionate and fit for purpose and they will promote best practice, enabling learners to achieve the highest standards they can.

This Course provides learners with opportunities to continue to acquire and develop the attributes and capabilities of the four capacities as well as skills for learning, skills for life and skills for work.

All Courses provide opportunities for learners to develop breadth, challenge and application, but the focus and balance of the assessment will be appropriate for the subject area.

## **Relationship between the Course and Curriculum for Excellence values, purposes and principles**

The Course consolidates and develops knowledge and understanding gained through studying relevant experiences and outcomes from the social studies and technologies curriculum areas.

The Course introduces learners to the dynamic world of business by developing skills in communicating essential financial information, in a variety of presentation formats, to the various stakeholders of an organisation.

The development of skills explicit to the Course will enable learners to accurately prepare, interpret and analyse financial information.

These skills will support learners in becoming more self-confident in their abilities as well as giving them an understanding of how financial awareness can help them to make more informed decisions regarding their own financial future.

By encouraging working with others, the Course will help learners to participate responsibly in the ever-changing global business environment.

The Course covers a broad spectrum of learning that allows for further progression and depth of study at a later date. It provides opportunities that allow learning to develop in a challenging and enjoyable way. It relates the study of accounting to real-life scenarios and is therefore of great relevance to those who study it.

## **Purpose and aims of the Course**

Accounting is a key function in all organisations. Without effective accounting procedures and accountants to provide timely and relevant information to management, organisations may perform less successfully than they otherwise might.

This Course will build on the knowledge, understanding, information-handling skills and practical abilities gained in National 4 Business or can act as an introduction to accounting.

The purpose of the Course is to enable learners to understand, and make use of, financial information so that they can prepare accounting statements and analyse, interpret and report on an organisation's financial performance. A main feature of this Course is the development of numeracy and thinking skills.

The Course aims to enable learners to:

- ◆ develop an awareness of the important function accounting performs in industry and society
- ◆ develop accuracy in the preparation, presentation, interpretation and analysis of accounting information and apply a systematic approach to solving financial problems
- ◆ apply relevant accounting concepts and techniques when preparing financial information
- ◆ develop an awareness of a range of sources of finance available to organisations and when to use the most appropriate ones
- ◆ apply information technology in accounting-related tasks

The Course combines practical and theoretical aspects of learning related to accounting and will allow learners to use ICT when completing both computer- and paper-based tasks.

Accounting relates to many aspects of everyday life and, therefore, gives learners experiences which are topical and which develop skills for learning, life and work. The Course encourages learners to think logically and to apply accounting principles in their everyday lives, thereby supporting their personal financial awareness.

### **Information about typical learners who might do the Course**

The Course may be of greatest appeal to those learners who enjoy, or wish to take advantage of, numeracy-based learning opportunities. It will suit learners who feel their skills are matched to courses which require attention to detail and who like to apply their logical and analytical thinking.

The Course develops the transferable skills of numeracy and supports literacy. It takes into account the needs of all learners by providing sufficient flexibility to enable them to achieve in different ways and at different paces.

By developing many transferable skills, the Course prepares learners for everyday life, the world of work or further study of accounting and other business-related disciplines. It develops understanding of accounting and highlights a range of accountancy-based career opportunities that are available in all business sectors.

By studying this Course, learners will develop skills which include: describing, recording, presenting, interpreting and analysing financial information; comparing and contrasting accounting information to draw valid conclusions; and developing critical thinking and problem solving skills in devising solutions to financial problems.

Other skills developed by learners will include: developing thinking and problem solving skills in devising solutions to financial problems; ICT skills as a tool for the preparation and presentation of accounting information; and accuracy in using financial information, which develops numeracy.

Successful completion of this Course opens up a range of vertical and lateral progression routes for learners. These include other National Qualifications, Skills for Work Courses, National Progression Awards and National Certificates. The Course may also lead to employment and/or training in an accounting-related industry.

# Course structure and conditions of award

## Course structure

The Course combines practical and theoretical aspects, and is experiential in nature. Skills, knowledge and understanding are developed through a range of real-life contexts within the broad discipline of accounting.

The Course has three mandatory Units. Within each Unit there is a degree of flexibility in how study is undertaken. By its nature, the Course develops a wide range of skills for learning, life and work by providing learning opportunities in real-life contexts.

These skills include: employability skills and attitudes, including flexibility, adaptability, independence, reliability and working with others, enterprising attitudes and effective use of ICT in accounting-related contexts.

Units are statements of standards for assessment and not programmes of learning and teaching. They can be delivered in a number of ways.

However, there is scope in the design of the Units to allow the Course to be taught in an integrated, experiential way. It would be beneficial if the use of ICT permeated all Units.

### **Preparing Financial Accounting Information (National 5)**

In this Unit, learners will develop the knowledge and understanding relating to the preparation of financial accounting information for external use, and have the ability to apply the accounting concepts and techniques associated with the preparation of such financial accounting information.

### **Preparing Management Accounting Information (National 5)**

In this Unit, learners will develop the knowledge and understanding of internal accounting information and the ability to prepare such information, using a range of basic accounting techniques. The information produced will be used by management in making decisions about the future planning and control of the business.

### **Analysing Accounting Information (National 5)**

In this Unit, learners will develop the skills, knowledge and understanding relating to the interpretation and analysis of accounting information. The information will be used to assess the organisation's current financial position and performance and assist with decision making and planning.

## Conditions of award

To gain the award of the Course, the learner must pass all of the Units as well as the Course assessment. The required Units are shown in the Course outline section. Course assessment will provide the basis for grading attainment in the Course award.

## Skills, knowledge and understanding

Further information on the assessment of skills, knowledge and understanding for the Course is given in the *Course Assessment Specification*. A broad overview of the mandatory subject skills, knowledge and understanding that will be assessed in the Course is given in this section. These include:

- ◆ using accounting techniques, in familiar contexts, to facilitate decision making
- ◆ selecting straightforward accounting information to determine business profits and costs
- ◆ using ICT to produce and communicate straightforward accounting information in a range of contexts
- ◆ evaluating business success on the basis of accounting information
- ◆ preparing and presenting a range of straightforward accounting statements
- ◆ interpreting and analysing a range of accounting information
- ◆ knowledge and understanding of fundamental accounting concepts and theories

Skills, knowledge and understanding to be included in the Course will be appropriate to the SCQF level of the Course. The SCQF level descriptors give further information on characteristics and expected performance at each SCQF level ([www.sqa.org.uk/scqf](http://www.sqa.org.uk/scqf)).

# Assessment

Information about assessment for the Course is included in the *Course Assessment Specification*, which provides full details including advice on how a learner's overall attainment for the Course will be determined.

## Unit assessment

All Units are internally assessed against the requirements shown in the Unit Specifications.

They can be assessed on an individual Unit basis or by using other approaches which combine the assessment for more than one Unit.

They will be assessed pass/fail within centres. SQA will provide rigorous external quality assurance, including external verification, to ensure assessment judgments are consistent and meet national standards.

The assessment of the Units in this Course will be as follows.

### **Preparing Financial Accounting Information (National 5)**

In this Unit, learners will be required to provide evidence of their:

- ◆ ability to record straightforward financial accounting transactions and prepare period end financial statements
- ◆ understanding of key financial accounting terms relating to the preparation of financial statements (final accounts), and knowledge of their application in straightforward contexts

### **Preparing Management Accounting Information (National 5)**

In this Unit, learners will be required to provide evidence of their:

- ◆ ability to prepare straightforward cash budgets and a range of straightforward cost statements
- ◆ understanding of key management accounting terms, and knowledge of their application in straightforward contexts

### **Analysing Accounting Information (National 5)**

In this Unit, learners will be required to provide evidence of their:

- ◆ ability to interpret, analyse and evaluate a range of straightforward accounting information to assess the current financial position of an organisation
- ◆ understanding of a range of straightforward analytical concepts used to assist financial decision making, and knowledge of their application in familiar contexts

## Course assessment

Courses from National 4 to Advanced Higher include assessment of [added value](#)<sup>1</sup>. At National 5, Higher and Advanced Higher, the added value will be assessed in the Course assessment. The added value for the Course must address the key purposes and aims of the Course as defined in the Course Rationale. It will do this by addressing one or more of breadth, challenge or application.

In the National 5 Accounting Course, added value will focus on:

- ◆ breadth
- ◆ challenge
- ◆ application

The learner will be assessed through a combination of an accounting [question paper](#)<sup>2</sup> and an accounting-related [assignment](#)<sup>3</sup>.

The question paper will require demonstration of a breadth of knowledge, understanding and skills accumulated from across the Course.

The assignment will require learners to combine the accounting knowledge and/or skills from across the Course in a practical context.

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<sup>1</sup> Definitions can be found here: <http://www.sqa.org.uk/sqa/58409.html>

<sup>2</sup> See link above for definition.

<sup>3</sup> See link above for definition.

# Development of skills for learning, skills for life and skills for work

It is expected that learners will develop broad, generic skills through this Course. The skills that learners will be expected to improve on and develop through the Course are based on SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work* and drawn from the main skills areas listed below. These must be built into the Course where there are appropriate opportunities.

## **2 Numeracy**

- 2.1 Number process
- 2.2 Money, time and measurement
- 2.3 Information handling

## **4 Employability, enterprise and citizenship**

- 4.1 Employability
- 4.2 Information and communications technology (ICT)

## **5 Thinking skills**

- 5.2 Understanding
- 5.3 Applying
- 5.4 Analysing and evaluating

Amplification of these skills is given in SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work*. The level of these skills will be appropriate to the level of the Course. Further information on building in skills for learning, skills for life and skills for work for the Course is given in the *Course Support Notes*.

## Administrative information

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### History of changes to National Course Specification

Course details	Version	Description of change	Authorised by	Date
	1.1	Terminology amended to accommodate international accounting standards.	Qualifications Manager	September 2014

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