



Preparing Management Accounting Information (Higher) Unit

SCQF: level 6 (6 SCQF credit points)

Unit code: H1YR 76

Unit outline

The general aim of this Unit is to allow learners to develop the knowledge and understanding of internal accounting information and the ability to prepare such information using a range of routine and complex accounting techniques. Learners will carry out learning activities that extend their understanding of the significant impact that management accounting information has on making decisions about the future planning, control and success of the organisation.

Learners who complete this Unit will be able to:

- 1 Use knowledge and understanding of management accounting systems as a means of planning and control
- 2 Evaluate a range of management accounting statements

This Unit is a mandatory Unit of the Higher Accounting Course and is also available as a free-standing Unit. The Unit Specification should be read in conjunction with the *Unit Support Notes*, which provide advice and guidance on delivery, assessment approaches and development of skills for learning, skills for life and skills for work. Exemplification of the standards in this Unit is given in *Unit Assessment Support*.

The *Course Assessment Specification* for the Higher Accounting Course gives further mandatory information on Course coverage for learners taking this Unit as part of the Higher Accounting Course.

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 equivalent qualifications and/or experience:

- ◆ National 5 Accounting Course
- ◆ National 5 Mathematics Course

Examples of other such relevant prior learning and experiences would include the development of logical and analytical thinking skills and the ability to use ICT, particularly spreadsheets.

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

Standards

Outcomes and assessment standards

Outcome 1

The learner will:

- 1 Use knowledge and understanding of management accounting systems as a means of planning and control by:**
 - 1.1 Describing the use of weighted average (AVCO) inventory (stock) valuation
 - 1.2 Detailing the use of management accounting systems as a means of planning and control

Outcome 2

The learner will:

- 2 Evaluate a range of management accounting statements by:**
 - 2.1 Preparing management accounting statements from a given range
 - 2.2 Making a business decision based on the results of each statement prepared

Evidence Requirements for the Unit

Assessors should use their professional judgement, subject knowledge and experience, and understanding of their learners, to determine the most appropriate ways to generate evidence and the conditions and contexts in which they are used.

Evidence for this Unit may be presented in a written response, as an ICT printout or by electronic means, and must use relevant accounting layouts and concepts.

Assessors should also use their professional judgement when giving learners credit for an appropriate degree of accuracy. This may mean giving credit for solutions which are numerically incorrect, but which show correct application of accounting concepts and methods.

Evidence may be presented for individual Outcomes or it may be gathered for the Unit as a whole through combining assessment in one single activity. If the latter approach is used, it must be clear how the evidence covers each Outcome.

In Outcome 1, the range of management accounting systems are budgeting, service costing and process costing.

In Outcome 2, the range of management accounting statements includes sales/production budgets, overhead analysis statement showing the reapportionment of service department costs, weighted average (AVCO) inventory (stock) valuation, service cost statement or process cost statement.

Exemplification of assessment is provided in *Unit Assessment Support*. Advice and guidance on possible approaches to assessment is provided in the *Unit Support Notes*.

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

It is expected that learners will develop broad, generic skills through this Unit. The skills that learners will be expected to improve on and develop through the Unit 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 Unit 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

- 5.3 Applying
- 5.4 Analysing and evaluating

Amplification of these is given in SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work*. The level of these skills should be at the same SCQF level of the Unit and be consistent with the SCQF level descriptor. Further information on building in skills for learning, skills for life and skills for work is given in the *Unit Support Notes*.

Administrative information

Published: April 2014 (version 1.1)

Superclass: AK

History of changes to National Unit Specification

Version	Description of change	Authorised by	Date
1.1	Terminology changed to accommodate international accounting standards	Qualifications Development Manager	April 2014

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