

Our Ref: LM/July2013Update

July 2013

To: SQA Co-ordinator

**For the attention of all staff responsible
for the delivery of Higher National
Accounting**

Action by Recipient
✓ Note and pass on

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Dear Colleague

HN Frameworks – **HNC Accounting (G9M5 15)**
HND Accounting (G9M6 16)

This letter contains information relating to the above group awards which I hope you find useful.

In June 2012 a group of HN Accounting practitioners met to review the error tolerances within the five 1st year HN Accounting mandatory Units. The group looked at the feedback received via the HN Comment forms and from the HN Network Event and as a result some minor amendments were made to the error tolerances and both the Unit specifications and Assessment Exemplars were updated for session 2012/2013. Full details are contained in the July 2012 (HN Accounting – Error Tolerance) update letter which can be found on the HN Accounting web page.

It was agreed that SQA would carry out a similar exercise, in June 2013, for the five 2nd year HND Accounting mandatory Units, ie:

Financial Reporting and Analysis (F7R4 35)
Accounting for Specialised Transactions (F7R5 35)
Management Accounting for Planning and Control (F82H 35)
Management Accounting for Decision Making (F82J 35)
Business Taxation (F7R6 35)

Discussion sessions were held at the HN Accounting Network Event in February 2013 to gather information about amendments required to error tolerances within the above Units. There was consensus in the feedback from the centres' representatives and, in June 2013, a small group of practitioners met to finalise revisions to error tolerances where appropriate. The Unit specifications and Assessment Exemplars, for these Units, have been updated to incorporate revisions made. The History of Change section in each of the Unit specifications and Assessment Exemplars contain details of the revisions. The revised Unit specifications and Assessment Exemplars will be uploaded to SQA's website and secure website respectively towards the end of July.

For easy reference, the error tolerances for the five Units have been summarised in the table on page 3 of this document. Where the error tolerance has been revised, the revision is shown in red.

In response to the feedback received, SQA has also:

- ◆ introduced error tolerances for narratives, etc in Outcomes 1 and 2 of Management Accounting for Planning and Control
- ◆ revised assessment conditions for Outcome 3 of Management Accounting for Planning and Control with the assessment being split into two parts. Part 1 assesses the first two Evidence Requirements and conditions remain as 'under supervised conditions with access restricted to formulae only' – recommended assessment time remains as 2 hours. Part 2 assesses the third Evidence Requirement (report) and this will now be assessed under open-book supervised conditions. Recommended assessment time for the report is 1 hour
- ◆ reduced recommended assessment time for Outcomes 2 and 3 of Accounting for Specialised Transactions from 1½ hours to 1 hour
- ◆ changed assessment conditions for Outcome 4 of Management Accounting for Decision Making from open-book to closed-book

It should be noted that recommended assessment times are given for guidance only and are not mandatory.

As some of these Units may be delivered as optional Units within other HN frameworks, please ensure colleagues involved in the delivery of any of the Units are informed of the changes.

If you have any queries about the content of this letter do not hesitate to contact me.

Yours faithfully

Linda K Meikle

Linda Meikle
Qualifications Officer
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HND Accounting Mandatory Units – Error Tolerance

Unit	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5	
	Arithmetic	Principle	Arithmetic	Principle	Arithmetic	Principle	Arithmetic	Principle	Arithmetic	Principle
Financial Reporting and Analysis (F7R4 35)	Currently 4 errors overall		3	6	2	3	Currently 5 errors overall			
Accounting for Specialised Transactions (F7R5 35)	2	4	2	2	2	2 ¹				
Management Accounting for Planning and Control (F82H 35)	2	2 ²	2	2 ³	4	4 ⁴				
Management Accounting for Decision Making (F82J 35)	2	2	2	3	2	2	2	2 ⁵	2	2
Business Taxation (F7R6 35)	2	3	2	2	1	1	1	1	Currently combined with Outcomes 1-4	

¹ Recommended assessment time for Outcomes 2 and 3 has been reduced to one hour.

² Additional tolerance of two errors allocated to narrative/descriptive element of assessment.

³ Additional tolerance of two errors allocated to recommendations/descriptions element of this assessment.

⁴ Third Evidence Requirement now assessed under open-book supervised conditions.

⁵ Outcome 4 now assessed under closed-book supervised conditions.