SQA Advanced Diploma in Hospitality Management

GM5E 48

Course Tutor Guide

Acknowledgement

SQA acknowledges the valuable contribution that Scotland's colleges have made to the development of SQA Advanced Qualifications.

Further Information

Call SQA's Customer Contact Centre on 44 (0) 141 500 5030 or 0345 279 1000. Alternatively, complete our Centre Feedback Form.

Equality and inclusion

This qualification 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.

History of changes

It is anticipated that changes will take place during the life of the qualification, and this section will record these changes. This document is the latest version and incorporates the changes summarised below.

NOTE: Where a Unit is revised by another Unit:

♦   No new centres may be approved to offer the Unit which has been revised.
♦   Centres should only enter students for the Unit which has been revised where they are expected to complete the Unit before its finish date.

Version number	Description	Date
03	**Revision of unit:** HP7E 48 *Human Resource Management Practice (*finish date 31/7/2021) has been replaced by J45T 48 *Human Resource Management Practice* (start date 01/08/2019). Centres may continue to enter students on HP7E 48 but all students must have completed and results submitted for the unit by no later than 31/07/2021	14/4/20
02	Minor updates to text on p28 describing the unit Work Placement (HP4X 47)	28/11/2018

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1 Introduction

1.1 Purpose of the Course Tutor Guide

This guide is aimed at staff in SQA Approved Centres who are responsible for the SQA Advanced Diploma in Hospitality Management. It will assist you in the delivery, assessment and internal verification of the SQA Advanced Diploma by providing information on setting up a course, the course framework, centre support with course delivery, teaching plans and guidance on assessment of the Units within the course. It also provides information about Core Skills, Graded Units, Quality Assurance and Verification.

2   Setting up the course

Centres will have been approved to offer this course and will have internal processes for liaising with appropriate parties. Liaison with SQA is normally via the centre's SQA Co-ordinator.

It is recommended that a Course Team is set-up by the Institution/Department appointed to oversee the delivery of the course. The Course Team should comprise all tutors teaching on the course and one tutor should be nominated as Course Team Leader.

The Course Team would have the responsibility for overseeing the quality of delivery on the course and to ensure that academic standards are maintained. The Course Team would also be responsible for monitoring student progress and determining the support required for individuals who are not progressing well.

The Course Team should meet to discuss matters relating to course delivery, assessment and internal verification on a regular basis (usually two/three times a year) to ensure that any action points are achieved and that the course is delivered efficiently and effectively. It is good practice to maintain a record of such meetings to ensure that any action points are noted and accomplished. This will benefit centres and their students by ensuring that all students achieve their full potential whilst maintaining the appropriate standards.

It is good practice for centres to maintain a library of master folders for each of the Units within the course — these may be stored electronically as long as all relevant staff have access to them as and when required. Electronic files on a secure part of the centre's network/intranet are particularly appropriate if the award is delivered across different campuses, allowing all tutors to access the most up-to-date materials wherever they are located.

The master folders should contain Unit specifications, teaching materials (including details of learning, teaching and assessment plans; and if appropriate, details of any integration across Units of either teaching or assessment), assessment exemplars and re-assessments. This enables new members of staff to access this valuable resource prior to, and during, delivery of the course.

It is good practice for tutors to familiarise themselves with the Units and specific requirements of the assessments prior to the start of the course. Unit specifications set out the statement of standards and evidence required for achieving each Unit, along with guidance on content and assessment. Assessment exemplars provide an instrument of assessment for each Unit and suggested marking scheme. **The assessment exemplars MUST be kept secure at all times.**

All tutors delivering this course have a collective responsibility to ensure that all students are supported in a manner that meets their individual needs as they progress through the course.

3   The SQA Advanced Diploma Structure

3.1   General SQA Advanced Diploma Qualification Framework

To be awarded an SQA Advanced Diploma, the student is required to achieve **30 SQA Credits** with a mixture of SCQF level 6, 7 and level 8 Units. The SQA Advanced Diploma in Hospitality Management qualification is a mixture of level 7 and level 8 Units only.

Each Unit is assigned an **SQA Credit** value of 1, 2 or 3. This credit value is based approximately on 80 hours of study per credit, which consists of 40 hours of structured learning and a further 40 hours of student-led study to consolidate and reinforce learning.

Each Unit is also assigned a **Scottish Credit and Qualifications Framework (SCQF) level and credit point value.** (See below for further details regarding the SCQF).

Each Unit is assigned an agreed number of SCQF credit points. One point represents a notional 10 hours of study by the learner at the identified level.

3.1.1 The Scottish Credit and Qualifications Framework (SCQF)

The SCQF has 12 levels ranging from National at SCQF level 1, up to Doctorate at level 12. The different levels indicate the level of difficulty of a particular qualification and the difference between levels is dependent on factors such as:

♦   the complexity and depth of knowledge and understanding.
♦   links to associated academic, vocational or professional practice.
♦   the degree of integration, independence and creativity required .
♦   the range and sophistication of application/practice.
♦   the role(s) taken in relation to other learners/workers in carrying out tasks.

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3.1.2 SCQF level Descriptors

The SCQF level descriptors outline the general outcomes of learning at SCQF levels under five broad headings:

♦ knowledge and understanding (mainly subject based)
♦ practice (applied knowledge and understanding)
♦ generic cognitive skills (e.g. evaluation, critical analysis)
♦ communication, numeracy and IT skills
♦ autonomy, accountability and working with others

The descriptors allow broad comparisons to be made between the outcomes of any learning and allow learners, employers and the public in general to understand the range of skills and learning that should be achieved at each level. SCQF levels are increasingly used in job advertisements to help employers articulate the skills they require for a particular role and to help potential employees to highlight their skills thus ensuring the right person gets the right job.

For SQA Advanced Diploma courses each Unit is also assigned an SCQF level which will be 6, 7 or 8.

These levels indicate the degree of difficulty of the work for that Unit.

SCQF level 6 is approximately equivalent to sixth year of compulsory secondary education. SCQF level 7 is approximately equivalent to first year of degree-level study and SCQF level 8 approximately equivalent to second year of degree-level study.

SCQF level 7 might be given to an introductory Unit in a subject area and SCQF level 8 to the continuing Unit.

Tutors involved in the delivery and assessment of Units would find the SCQF level descriptors helpful in determining the appropriate level of difficulty/complexity required. For example:

The Unit *Food and Beverage Service* (HP4E 47) has an **SQA credit value of 2.** This represents 160 hours of teaching and learning.

160 hours will equal **16 SCQF points** (1 point = 10 hours of learning) at **SCQF level 7**.

The Unit *Management of Food and Beverage Operations* (HP4N 48) follows on from *Food and Beverage Service* (HP4E 47) and has an **SQA credit value of 3.** This represents 240 hours of teaching and learning.

240 hours will equal **24 SCQF points** at **SCQF level 8**.

This means that the Unit progresses the student's learning to a higher level.

The Unit *Accommodation Servicing* (HP4D 47) has an **SQA credit value of 1.** This represents 80 hours of teaching and learning.

80 hours will equal **8 SCQF points** (1 point = 10 hours of learning) at **SCQF level 7**.

The Unit *Accommodation Management* (HP4R 48) follows on from *Accommodation Servicing (*HP4D 47) and has an **SQA credit value of 1.** This represents 80 hours of teaching and learning.

80 hours will equal **8 SCQF points** at **SCQF level 8**.

This means that the Unit progresses the student's learning to a higher level.

3.2   Core Skills

The Core Skills are a group of five skills that are key to learning and working in today's world. Employers have identified Core Skills as those that are most likely to be needed in any work environment. This does not mean that every job will need people who are proficient in all five Core Skills but it does mean that every job will require some level of ability in some or all of these skills.

The five Core Skills are: *Communication**, Numeracy**, Information and Communication Technology (ICT)**, Problem Solving* and *Working with Others**.* Each Core Skill is available at levels 2 to 6 of the Scottish Credit and Qualifications Framework (SCQF). A brief description of each Core Skill is detailed below. A fuller description of each Core Skill at the SCQF levels 2–6 is available on the SQA's website — **www.sqa.org.uk/international.**

3.2.1 Communication

Communication skills underpin almost all personal, social, learning, and working activity. They are essential in clarifying one's own thoughts, in interacting and conversing with others, in expressing thoughts and in conveying information, feeling and opinions.

The Core Skill in *Communication* has two components:

♦ Oral Communication
♦ Written Communication

3.2.2 Numeracy

Numeracy skills are necessary for coping with the demands of everyday life, including work and study. People need to be comfortable with numbers, and with graphs, symbols, diagrams and calculators.

The Core Skill in *Numeracy* has two components:

♦ Using Graphical Information
♦ Using Number

3.2.3 Information and Communication Technology (ICT)

Information and Communication Technology (ICT) focuses on the ability to use Information Technology (IT) to process information in ways which will be useful in work and in the home — it is not about developing IT specialists.

The Core Skill in *Information and Communication Technology (ICT)* has two components:

♦ Accessing Information
♦ Providing/Creating Information

3.2.4 Working with Others

Working with Others develops the skills needed to co-operate with others in learning and working situations to identify and achieve shared goals.

The Core Skill in *Working with Others* has two components:

♦ Working Co-operatively with Others
♦ Reviewing Co-operative Contribution

3.2.5 Problem Solving

Problem Solving develops the skills needed for tackling issues and problems in personal, social, vocational and occupational contexts.

The Core Skill in *Problem Solving* has three components:

♦ Critical Thinking
♦ Planning and Organising
♦ Reviewing and Evaluating

All qualifications offered by SQA are evaluated against the Core Skill framework and where opportunities exist to develop and/or achieve a Core Skill (embedded), these have been noted and a table is provided for each SQA Advanced Diploma showing where these skills are embedded and/or developed. (See Appendices 1a and 1b for more details).

3.3   Graded Units

In the framework of every SQA Advanced Diploma there are 3 SQA Credits of Graded Unit. There are Graded Units built into the framework towards the latter part of Year 1 and Year 2. Depending on the SQA Advanced Diploma, there may be three individual Graded Units of 1 SQA Credit, or there may be two Graded Units — a 1-credit Unit and a 2-credit Unit. The purposes of Graded Units are to:

♦ demonstrate that the student has achieved the principal aims of the Group Award.
♦ demonstrate the student's ability to integrate the knowledge and understanding gained from other Units making up the Group Award.
♦ grade student performance.

Graded Units are specific to the Group Award being delivered, and reflect the principal aims of that Group Award. This means that they will also clearly reflect the uniqueness of the title of the Group Award.

The allocation of grades awarded are as follows:

♦ Grade A   — Student has achieved a mark of 70% or above
♦ Grade B   — Student has achieved a mark of between 60% and 69%
♦ Grade C   — Student has achieved a mark of between 50% and 59%
♦ F (Fail)   — Student has failed to reach the required standard and achieved a mark less than 50%

4 SQA Advanced Diploma in Hospitality Management

4.1 Target audience

The SQA Advanced Diploma in Hospitality Management is designed for students who wish to pursue a career in a range of management positions within the hospitality industry. The SQA Advanced Diploma in Hospitality Management focuses on developing students' practical skills and their ability to apply their knowledge to relevant hospitality environments.

The SQA Advanced Diploma in Hospitality Management is designed to lead to employment in a wide range of hospitality and catering organisations at an operational, supervisory or managerial level.

Successful students should be able to progress to a range of degrees.

4.2 Access to the course

As with all SQA qualifications, access will be at the discretion of the centre and the following recommendations are for guidance only. It should be noted that this qualification will be taught and assessed in English.

Some examples of appropriate formal entry qualifications are specified below. They are not exhaustive or mutually exclusive and may be offered in a variety of combinations.
♦ for students for whom English is not their first language, it is recommended that they possess English for Speakers of other Languages (ESOL) SCQF level 5 or a score of 5.5 in IELTS
♦ different combinations of relevant National Qualifications, Vocational Qualifications and equivalent qualifications from other awarding bodies may be acceptable, as would suitable industry standard qualifications at an appropriate level
♦ mature students with suitable work experience will be accepted for entry provided the enrolling centre believes that the student is likely to benefit from undertaking the award

4.3   Aims of course

The SQA Advanced Diploma in Hospitality Management award has a range of aims relating to academic and vocational progression. These are:

♦ developing planning and analysis skills
♦ developing problem-solving skills
♦ developing the ability to be flexible and to work co-operatively with others
♦ developing study and research skills
♦ developing critical and evaluative thinking
♦ enabling progression within the SCQF
♦ developing employment skills and enhancing students' employment prospects
♦ providing opportunities for career planning and enhancing students' employment prospects
♦ preparing for employment within the hospitality industry in a team leading/supervisory level post
♦ gaining leadership skills and a customer focused attitude through an understanding of the roles of a team leader/supervisor
♦ gaining an understanding of the structure and organisation of the industry and the influence of the industry on the economy
♦ developing knowledge and skills in the main operational areas, such as, food and beverage service styles and techniques, food hygiene and control systems
♦ applying and integrating knowledge and skills across hospitality operational areas
♦ applying and integrating knowledge and skills across hospitality management areas
♦ preparing for progression to further studies in hospitality or related disciplines

4.4   SQA Advanced Diploma in Hospitality Management Framework

The table below shows the whole framework of Units for the SQA Advanced Diploma in Hospitality Management and includes their SQA credit value and SCQF level.

Unit name	Unit code	Credit value	SCQF level
YEAR 1			
Accommodation Servicing	HP4D 47	1	7
Business Accounting	HP7K 47	2	7
Food and Beverage Service	HP4E 47	2	7
Food Hygiene Intermediate	HP4M 47	1	7
Hospitality Financial and Control Systems	HP4J 47	1	7
Hospitality Front Office Procedures 1	HP4G 47	1	7
Hospitality Front Office Procedures 2	HP4H 47	1	7
Hospitality Industry	HP4T 47	1	7
Hospitality Supervision	HP4P 47	2	7
Information Technology: Applications Software 1	HP6L 47	1	7
Managing Hospitality Organisations 2	HP4L 47	1	7
Work Placement[1]	HP4X 47	1	7
Hospitality Management: Graded Unit 1	HP4V 47	1	7

Unit name	Unit code	Credit value	SCQF level
YEAR 2			
Accommodation Management	HP4R 48	1	8
Gastronomy	HP4F 48	2	8
Managing Financial Resources in Hospitality	HP4C 48	1	8
Human Resource Management Practice	J45T 48*	2	8
Kitchen Planning and Design	HP4K 48	1	8
Management of Food and Beverage Operations	HP4N 48	3	8
Managing People and Organisations	HP71 47	2	7
Hospitality Management: Graded Unit 2	HP4W 48	2	8

*see History of Change

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[1] Work Placement (HP4X 47) will be introduced in Year 1, with students undertaking work placements between Year 1 and Year 2 — this Unit will be resulted in Year 2.

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4.5   Core Skills

All of the revised Units within this award have been assessed and validated against the Core Skills 2013 framework.

Successful students will exit from the SQA Advanced Diploma in Hospitality Management with the following Core Skills profile:

Core Skill	Certificated exit level
Information and Communication Technology (ICT)	SCQF level 6
Problem Solving	SCQF level 6

A detailed analysis of the Core Skills profile is provided in Appendices 1a and 1b which details where there are opportunities for developing Core Skills within the SQA Advanced Diploma in Hospitality Management framework.

4.6   Graded Unit

Students will take a 1-credit Graded Unit at SCQF level 7 in the first year of the SQA Advanced Diploma Group Award, and a further 2-credit Graded Unit at SCQF level 8 in the second year of the SQA Advanced Diploma Group Award.

The Graded Units take the form of:

Hospitality Management: Graded Unit 1 (HP4V 47) Project (Case Study) at SCQF level 7 — 1 SQA Credit

Hospitality Management: Graded Unit 2 (HP4W 48) Project (Case Study) at SCQF level 8 — 2 SQA Credits

Further details are provided in Section 8.3.

5 Course delivery of an SQA Advanced Diploma

5.1 How the course is delivered

All tutors must ensure that they deliver this course using teaching methods that engage students in 'active learning' to encourage them to participate in the learning activities set. All SQA qualifications are designed to enable students to develop their knowledge and skills and then they are required to apply this new knowledge/skill to a new situation. Criterion-referenced assessments assume that all parties are fully informed of the criteria that students must achieve and the assessment conditions under which the students carry out the assessment activity.[2]

To ensure that students are fully prepared it is essential that tutors provide as many opportunities as possible for students to be actively engaged throughout the learning process. Students should:

♦ be fully informed of the criteria they must achieve.
♦ be offered a range of learning activities to research, analyse and apply new knowledge/skills to new situations.
♦ be offered opportunities to experience the type of activity that they will be required to carry out as part of the summative assessment.
♦ be able to critically evaluate their personal contribution and to receive feedback from the tutor on how to enhance their understanding.

Tutors should develop a learning, teaching and assessment plan for each Unit within the course and provide activities that students should undertake.

Each Unit should have a master folder containing the Unit specification, teaching materials, the teaching and assessment plan, and assessment exemplars and re-assessments. The teaching materials and teaching plan should provide details of activities that students should undertake. Typically they include activities such as small-group/whole-class discussion, group problem solving, eg analysing a case study and offering solutions based on the new learning, group project work to find examples, to research new knowledge and to present their findings to their fellow students.

The following is a list of learning activities but it is not exhaustive:

♦ Lectures
♦ Tutorials
♦ Study packs
♦ Problem-based scenarios
♦ Case studies
♦ Group/team work
♦ Online materials
♦ IT based teaching materials

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[2] For further information about different assessment activities — whether they be for formative or summative purposes, tutors may wish to complete the new online course: Produce SQA Assessments for successful prior verification OR read the *SQA Guide to Assessment*.

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- ♦ Projects
- ♦ Quizzes
- ♦ Research and presentation of findings to fellow students
- ♦ Role play
- ♦ Short-response questions, multiple choice questions
- ♦ Create questions for other students (with answers), etc

Tutors should consider the nature of the assessment method as well as the assessment content when planning learning activities so that students are appropriately prepared.

It is the tutor's responsibility to explain to the students what is required of them and then to direct, encourage, co-ordinate and support students to complete the activity. It is also the tutor's responsibility to ensure the resources needed are available to the students. Materials should be reviewed on a regular basis to ensure they are still relevant.

Some activities could require students to work in pairs or small groups to discuss issues or to solve a given problem. Other activities could require the student to undertake some independent research out with the classroom and to bring their findings to the next lesson and present this to the class in a report or presentation format. Some Units will require the student to undertake independent reading and students should be prepared to discuss key issues within the classroom as organised and led by the tutor.

In practical skills classes, students should be directed to use practice exercises to enable them to become proficient. Tutors may demonstrate the skill first and then coach the students individually when unsure. In terms of developing independent learners, in the case of information technology, students should be encouraged to independently use the online Help facilities within applications. It should be noted that even in practical classes, students should be encouraged to work in small groups and to support one another as part of the learning process. In explaining a concept, the student has to reformulate and communicate the learning point, thus deepening their own learning.

When undertaking group work, students should be encouraged/directed to work with different groups each time they attempt a new task so that they get to know and work with a wide range of individuals. The groups should be given clear task activities. Tutors should note the various roles assigned to the group members and they should set a time limit for the completion of the task.
At the end of each activity tutors should make time to receive feedback from each group so that they can assess knowledge and understanding and use the feedback session to repeat important key points and to clear up any misunderstandings. Tutors must also provide feedback to students on their performance in activities, etc.

Where centres have access to electronic resources such as Virtual Learning Environments, Blogs, Wikis, etc — tutors/lecturers are encouraged to use these collaborative tools in the learning process.

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As students work through each Unit in the course, they will be expected to:

♦ listen to instructions given to them by their tutors.
♦ listen to exposition and lessons given by their tutors.
♦ read sections of the guides as directed by their tutors.
♦ participate in a range of practical exercises and activities including case studies, extended-response and short-response questions, research and presentation.
♦ carry out these tasks either individually, in pairs, small groups or whole class.
♦ test their own knowledge and understanding by completing self-assessed questions where the answers are provided.
♦ test their own knowledge and understanding by completing activities and submitting them to their tutors for feedback.
♦ receive feedback from tutors on activities that have been reviewed.
♦ reflect on their own learning and identify areas to develop.

5.2   Support for students

All tutors delivering on a course have a collective responsibility to ensure that all students are supported in a manner that meets their individual needs as they progress through the course.

Each individual tutor has a role to monitor an individual student's understanding and progress at Unit level and feed comments to the Course Team. At individual Unit level, tutors may wish to use a range of mechanisms to support students and to establish if students are progressing well on the course.

6 SQA Advanced Diploma in Hospitality Management course delivery

6.1 Teaching plan

The Units that make up this Group Award are listed in Section 6.2 — *Overview of Units.*

This Section — *Teaching plan* — provides a **suggested** delivery schedule for the Units and highlights the best way to sequence the Units over two years.

When constructing this teaching plan consideration was given to the following points:

♦ Year 1 will contain Units which are mainly at SCQF level 7.
♦ Year 2 will contain Units which are mainly at SCQF level 8 and there should be a natural progression from some of the Units delivered in Year 1 to those being delivered in Year 2.
♦ Some Units are 2-credit and there is one 3-credit Unit and so thought must be given as to whether the Unit should be covered in one semester or across the whole year.
♦ The Units being assessed as part of the Graded Unit **must** be delivered and assessed prior to the Graded Unit being introduced. This will ensure that sufficient learning will have taken place to enable the students a fair opportunity to achieve the Graded Unit at an appropriate grade.

Students will study 15-credits worth of Units in each year. The weighting of these Units will depend on the relationship of the relevant Unit with other Units in terms of prior knowledge needed and/or complementary knowledge. The Unit *Work Placement (HP4X 47)* will span both years of the qualification.

Rationale for the suggested delivery schedule
Two suggested delivery schedules have been given for Year 1 and Year 2 of SQA Advanced Diploma in Hospitality Management — Option A and Option B.

The majority of the SCQF level 7 Units have been included in Year 1, so that students are provided with introductory knowledge and understanding in the subject areas of — accommodation, food and beverage service, front office procedures, food hygiene, financial and control systems, the hospitality industry, hospitality supervision, information technology and managing hospitality organisations.

The majority of the Units in Year 2 are SCQF level 8 Units that will develop on the knowledge and understanding gained in Year 1. Students will be able to extend their knowledge and skills in accommodation management, management of food and beverage operations, gastronomy, managing financial resources, human resource management, kitchen planning and design, and managing people and organisations. Between Year 1 and Year 2 students should be encouraged to complete the *Work Placement* (HP4X 47) Unit.

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6.1.1 Year 1: Suggested delivery schedule

YEAR 1 — Option A

Semester 1	Semester 2
Accommodation Servicing (HP4D 47) — SCQF level 7, 1 SQA credit	Hospitality Industry (HP4T 47) — SCQF level 7, 1 SQA credit
Business Accounting (HP7K 47) — SCQF level 7, 2 SQA credits ⟶	
Food Hygiene Intermediate (HP4M 47) — SCQF level 7 — 1 SQA credit	Managing Hospitality Organisations 2 (HP4L 47) — SCQF level 7, 1 SQA credit
Hospitality: Financial and Control Systems (HP4J 47) — SCQF level 7, 1 SQA credit	Work Placement[3] (HP4X 47) — SCQF level 7, 1 SQA credit
Food and Beverage Service (HP4E 47) — SCQF level 7, 2 SQA credits ⟶	
Hospitality Front Office Procedures 1 (HP4G 47) — SCQF level 7, 1 SQA credit	Hospitality Front Office Procedures 2 (HP4H 47) — SCQF level 7, 1 SQA credit
Hospitality Supervision (HP4P 47) — SCQF level 7, 2 SQA credits	
Information Technology: Applications Software 1 (HP6L 47) — SCQF level 7, 1 SQA credit	Hospitality Management: Graded Unit 1 (HP4V 47) — SCQF level 7, 1 SQA credit
Eight Units studied: eight at SCQF level 7 (5 credits completed, 3 credits partially completed)	**Eight Units studied: Eight at SCQF level 7 (10 credits completed, 1 credit partially completed)**

Rationale for Year 1 (Option A)

Option A offers students a good foundation in Semester 1 by ensuring that they have the required knowledge and skills to complete the Graded Unit 1 in Semester 2. *Information Technology: Applications Software 1* (HP6L 47) will also assist students throughout their studies. The Units *Business Accounting* (HP7K 47), *Food and Beverage Service* (HP4E 47) and *Hospitality Supervision* (HP4P 47) are all 2-credit Units and delivered over the two semesters. This approach will give students the opportunity to develop practical skills over time and provide the opportunity for the practical supervision element of *Hospitality Supervision* (HP4P 47) — *Outcomes 2 and 3* — to be assessed in the context of *Food and Beverage Service* (HP4E 47).

In Semester 2, *Work Placement* (HP4X 47) is introduced to allow the practical element to be carried out between Year 1 and Year 2 and the Unit completed in Semester 1, Year 2.

Key features of Year 1 (Option A)

♦ Helps students to focus and builds confidence and motivation
♦ Provides the opportunity to develop practical skills over a longer period of time
♦ The majority of subjects for Graded Unit 1 are covered in Semester 1
♦ More revision time may be required for Graded Unit 1 as key subjects have been completed in Semester 1

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[3] This Unit spans over both years of the qualification.

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YEAR 1 — Option B

Semester 1	Semester 2
Food Hygiene Intermediate (HP4M 47) — SCQF level 7 — 1 SQA credit	Business Accounting (HP7K 47) — SCQF level 7, 2 SQA credits
Hospitality: Financial and Control Systems (HP4J 47) — SCQF level 7, 1 SQA credit	Managing Hospitality Organisations 2 (HP4L 47) — SCQF level 7, 1 SQA credit
Food and Beverage Service (HP4E 47) — SCQF level 7, 2 SQA credits	Hospitality Front Office Procedures 1 (HP4G 47) — SCQF level 7, 1 SQA credit
Hospitality Supervision (HP4P 47) — SCQF level 7, 2 SQA credits	Hospitality Front Office Procedures 2 (HP4H 47) — SCQF level 7, 1 SQA credit
Information Technology: Applications Software 1 (HP6L 47) — SCQF level 7, 1 SQA credit	Work Placement[4] (HP4X 47) — SCQF level 7, 1 SQA credit
Hospitality Industry (HP4T 47) — SCQF level 7, 1 SQA credit	Hospitality Management: Graded Unit 1 (HP4V 47) SCQF level 7, 1 SQA credit
Accommodation Servicing (HP4D 47) — SCQF level 7, 1 SQA credit	
Seven Units studied: seven at SCQF level 7 (nine credits completed)	**Six Units studied: Six at SCQF level 7 (six credits completed, one credit partially completed)**

Rationale for Year 1 (Option B)
Option B offers students a good foundation in Semester 1 by ensuring that they have the required knowledge and skills to complete the Graded Unit 1 in Semester 2. *Information Technology: Applications Software 1* (HP6L 47) will also assist students throughout their studies. The Units *Food and Beverage Service* (HP4E 47) and *Hospitality Supervision* (HP4P 47) are 2-credit Units and delivered in Semester 1. This approach will provide the opportunity for the practical supervision element of *Hospitality Supervision* (HP4P 47) — *Outcomes 2 and 3* — to be assessed in the context of *Food and Beverage Service* (HP4E 47).

In Semester 2, *Work Placement* (HP4X 47) is introduced to allow the practical element to be carried out between Year 1 and Year 2, and the Unit completed in Semester 1, Year 2. All the subjects required for the Graded Unit 1 are delivered in Semester 1 and more revision time may be required for Graded Unit 1, as key subjects have been completed in Semester 1. There are fewer subjects in Semester 2 to allow students time to work on the Graded Unit Project.

Key features of Year 1 (Option B)
♦ More subjects introduced in Semester 1
♦ Variety may increase student motivation
♦ More time for revision of subjects delivered in Semester 1 for Graded Unit 1
♦ More Units completed in Semester 1

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[4] This Unit spans over both years of the qualification.

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6.1.2 Year 2: Suggested delivery schedule

YEAR 2 — Option A

Semester 1	Semester 2
Work Placement (HP4X 47) — SCQF level 7, 1 SQA credit	Kitchen Planning and Design (HP4K 48) — SCQF level 8, 1 SQA credit
Management of Food and Beverage Operations (HP4N 48) — SCQF level 8, 3 SQA credits →	
Accommodation Management (HP4R 48) — SCQF level 8, 1 SQA credit	
Gastronomy (HP4F 48) — SCQF level 8, 2 SQA Credits ⟶	
Managing Financial Resources in Hospitality (HP4C 48) — SCQF level 8, 1 SQA credit	
Human Resource Management Practice (J45T 48) — SCQF level 8, 2 SQA Credits	
Managing People and Organisations (HP71 47) — SCQF level 7, 2 SQA credits	Hospitality Management: Graded Unit 2 (HP4W 48) — SCQF level 8, 2 SQA credits
Seven Units studied: two at SCQF level 7, five at SCQF level 8 (five credits completed, two credits partially completed)	**Five Units studied: five at SCQF level 8 (ten credits completed)**

Rationale for Year 2 (Option A)
The *Work Placement* (HP4X 47) Unit will be completed in Semester 1 and the Units *Gastronomy* (HP4F 48) and *Human Resource Management Practice* (J45T 48) are delivered over the two semesters.

The Unit *Management of Food and Beverage Operations* (HP4N 48) is a 3-credit Unit and is delivered over the two semesters in order for the students to have time to plan their event, carry it out and then complete the portfolio of evidence. All the Units required for the Graded Unit 2 are delivered in Semester 1; there are fewer Units delivered in Semester 2 to allow students time to complete the Graded Unit 2 Project.

Key features of Year 2 (Option A)
♦ Fewer subjects completed in Semester 1
♦ Builds confidence and motivation through the delivery of the practical units over a longer period of time
♦ More time to research Graded Unit 2

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YEAR 2 — Option B

Semester 1	Semester 2
Work Placement (HP4X 47) — SCQF level 7, 1 SQA credit	Kitchen Planning and Design (HP4K 48) — SCQF level 8, 1 SQA credit
Management of Food and Beverage Operations (HP4N 48) — SCQF level 8, 3 SQA credits	
Accommodation Management (HP4R 48) — SCQF level 8, 1 SQA credit	Human Resource Management Practice (J45T 48) — SCQF level 8, 2 SQA Credits
Gastronomy (HP4F 48) — SCQF level 8, 2 SQA credits	Hospitality Management: Graded Unit 2 (HP4W 48) — SCQF level 8, 2 SQA credits
Managing Financial Resources in Hospitality (HP4C 48) — SCQF level 8, 1 SQA credit	
Managing People and Organisations (HP71 47) — SCQF level 7, 2 SQA credits	
Six Units studied: two at SCQF level 7, four at SCQF level 8 (seven credits completed, three credits partially completed)	**Four Units studied: four at SCQF level 8 (eight credits completed)**

Rationale for Year 2 (Option B)

The *Work Placement* Unit (HP4X 47) will be completed in Semester 1. The Units *Gastronomy* (HP4F 48) and *Managing People and Organisations* (HP71 47) — both 2-credit Units — will be completed in Semester 1. The Unit *Management of Food and Beverage Operations* (HP4N 48) is a 3-credit Unit and is delivered over the two semesters in order for the students to have time to plan their event, carry it out and then complete the portfolio of evidence. All the Units required for the Graded Unit 2 are delivered in Semester; there are fewer Units delivered in Semester 2 to allow students time to complete the Graded Unit 2 Project.

Key features of Year 2 (Option B)

♦ More Units completed in Semester 1
♦ All subjects required for completing the Graded Unit 2 are completed in Semester 1
♦ Fewer subjects completed in Semester 2
♦ Builds confidence and motivation through the delivery of the practical unit over a longer period of time
♦ More time to research Graded Unit 2

6.2   Overview of Units

An overview of each Unit delivered within Years 1 and 2 is given below. However, tutors should refer to the Unit specification for full details of the Knowledge and/or Skills to be covered and Evidence Requirements. The Evidence Requirements clearly state the type of evidence required, the standard of evidence required and any conditions of assessment. The Unit specification also contains guidance on the delivery and assessment of the Unit.

YEAR 1 UNITS

Accommodation Servicing (HP4D 47)

This 1-credit Unit is designed to enable students to recognise the importance of accommodation provision in the hospitality industry and gain an understanding of the variety of accommodation facilities that are provided by the different sectors of the hospitality industry. Students will gain an understanding of the importance of maintaining acceptable standards of accommodation provision and the importance of meeting client expectations. Students will also gain an understanding about the equipment, materials and procedures used to meet acceptable standard levels and how the provision of accommodation servicing is planned.

There are three Outcomes in this Unit.

Outcome 1 looks at the function and importance of accommodation provision within the different sectors of the hospitality industry.

Outcome 2 focuses on the reasons for maintaining acceptable accommodation standards and related procedures.

Outcome 3 covers provision of accommodation servicing.

A combination of practical and knowledge-based assessments may be used for this Unit. All of Outcome 1 and parts of Outcomes 2 and 3 may be assessed by short-response questions. The remaining Knowledge and/or Skills items for Outcomes 2 and 3 may be assessed by the production of a cleaning schedule.

Business Accounting (HP7K 47)

This 2-credit Unit enables students to develop their knowledge and understanding in the preparation and use of accounting information within a business organisation. Students will develop skills in preparing basic financial and management accounting reports and in interpreting and using financial information for decision making.

There are five Outcomes in this Unit. It is recommended that Outcomes 1 and 2 are assessed separately and that the assessment is integrated for Outcomes 3, 4 and 5.

In Outcome 1 students will prepare the financial statements for a limited company comprising an income statement, statement of financial position and statement of changes in equity and incorporating year-end adjustments.

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Outcome 2 focuses on the preparation of management accounting information and students will prepare a cash budget. Further, students will calculate the break-even point for making business decisions; for example considering the launch of a new product.

It is recommended that Outcomes 3, 4 and 5 are delivered and assessed using an integrated approach. These Outcomes cover: users of financial information and the purposes for which it is needed; sources of finance available to a business, both short term and long term; and an analysis of the performance and financial position of a business by looking at statements of cash flows and use of accounting ratios. The assessment could take the form of a case study covering these three areas.

Food and Beverage Service (HP4E 47)

This 2-credit Unit is designed to give students an understanding of the variety of types of food service styles available in relation to the differing types of food outlets in the hospitality industry. The Unit will enable students to operate a food and beverage service.

There are four Outcomes in this Unit.

Outcome 1 focuses on food and beverage operations within the hospitality industry.

Outcomes 2 and 3 focus on the practical skills associated with providing a food and beverage service.

Outcome 4 relates to evaluating the performance of both self and team.

Outcome 1 can be assessed independently and before the work begins on the other three Outcomes. The assessment for Outcomes 2 and 3 may be integrated in a practical activity. For Outcome 4, students could write a short report or complete a brief interview on performance evaluation for both personal performance and also that of the team.

Food Hygiene Intermediate (HP4M 47)

This 1-credit Unit is designed to develop the students' knowledge and understanding of the principles of Food Safety.

There are five Outcomes in this Unit.

Outcome 1 relates to the principles of food safety and identifies the role of bacteria and non-bacterial agents.

Outcome 2 focuses on the production of safe food in relation to the prevention of food poisoning, food borne illness and contamination by physical and allergenic materials.

Outcome 3 covers the rationale behind food safety management systems based on the principles of HACCP and the role of current hygiene legislation.

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Outcome 4 looks at the need for satisfactory design, construction and maintenance of food premises and equipment and the benefits of effective cleaning and disinfection.

Outcome 5 covers the principles involved in the preservation and safe storage of food.

The assessment of the five Outcomes can be by means of short-answer questions. Each Outcome may be assessed individually or assessment for some Outcomes may be combined. Assessment will be carried out under closed-book controlled conditions.

Hospitality: Financial and Control Systems (HP4J 47)

This 1-credit Unit is designed to introduce students to various control systems used in the Hospitality Industry.

There are four Outcomes in this Unit.

Outcome 1 requires students to use a spreadsheet application to cost standard recipes and calculate selling prices.

For Outcome 2 students will operate a food and beverage costing and control system.

Outcome 3 focuses on the operation of stock control systems at selling price.

For Outcome 4 students will be required to analyse costs and calculate the break-even point.

It is recommended that each Outcome is assessed separately. Alternatively, the assessment for Outcomes 1 and 3 could be integrated.

Hospitality Front Office Procedures 1 (HP4G 47)

This 1-credit Unit is designed to enable students to perform a series of front office procedures from advance reservations through to guest departure using a specialised front office computer system.

There are four Outcomes in this Unit.

Outcome 1 covers the operation of an advance reservation system. Students will carry out a variety of activities using the system including processing reservations received and producing reservation reports.

Outcome 2 relates to pre-arrival procedures. This includes room-allocation theory, production of arrival lists and registration cards, special requests, communication between front office and other departments, and the procedures for handling guest messages and mail.

Outcome 3 focuses on handling the arrival and in-house requirements of guests.

Outcome 4 focuses on applying billing and departure procedures.

The assessment for this Unit could be through three assessments which require students to operate a front office computer system to complete tasks associated with the guests cycle, ie reservations, check in, requests during their stay and finally their departure.

Outcomes 1 and 2 may be assessed through a single instrument of assessment. Evidence may be generated through the production of reservation reports, arrivals list and an observation checklist may be appropriate to check accurate reservation, guest information and billing data within the system.

Outcomes 3 and 4 may be jointly assessed. A combined assessment could cover the areas of check in, billing and departure. Evidence may be generated through the production of reports showing resident guests, guest bills and end-of-shift reports detailing total departmental sales and payments.

An observation checklist used to check accuracy of internal communications, legislative requirements, confidentiality and updated guest records. The assessment could also include a simple short-answer restricted response paper to assess understanding of current registration legislation.

Hospitality Front Office Procedures 2 (HP4H 47)

This 1-credit Unit is designed to follow on from *Hospitality Front Office Procedures 1* (HP4G 47)*,* through the completion of more complex tasks. In this Unit, whatever computerised system is in use, the students should be able to demonstrate their competence by using the system to its full potential.

If this Unit directly follows *Hospitality Front Office Procedures 1* (HP4G 47)*,* it may be appropriate to use some of the later reservation exercises from the first Unit as the basis of the exercises used in Outcome 1. This would reduce the amount of data input required prior to the start of teaching.

There are three Outcomes in this Unit.

Outcome 1 covers the duties associated with early and late shifts.

Outcome 2 focuses on end-of-shift procedures and the night audit process.

Outcome 3 is concerned with processing group reservations and undertaking pre-arrival procedures.

This Unit may be assessed by three assessments — two practical exercises and a short-answer paper all of which are completed under controlled conditions.

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Outcome 1 may be assessed through a single instrument of assessment. Evidence may be generated through the production of guest and function bills, end-of-shift reports detailing total departmental sales and payments, and an observation checklist may be appropriate to check guest and billing information.

Outcome 2 may be assessed in two parts. Evidence may be generated through the production of a cash reconciliation statement for an end-of-shift banking and short-answer questions relating to the financial, statistical and occupancy information provided within the night audit report.

Outcome 3 requires the production of reports detailing a group reservation and group rooming list. An observation checklist may be used to check group reservation details.

Hospitality Industry (HP4T 47)

This 1-credit Unit is designed to introduce students to the main features of the hospitality industry. Students will gain an understanding of the different sectors of the industry and its importance to the economy. In particular, the Unit looks at marketing processes in the hospitality industry.

There are three Outcomes in this Unit.

Outcome 1 looks at the main features of the hospitality industry.

It is recommended that Outcomes 2 and 3 should be delivered and assessed following an integrative approach. These Outcomes cover the definition of marketing and its importance in the hospitality industry; and the marketing processes used within the hospitality industry.

Outcome 1 could be assessed by an integrative report.

The assessment for the first part of Outcome 2 could take the form of short-answer questions and the remainder of Outcome 2 and Outcome 3 could be assessed by the completion of the investigative report started in Outcome 1.

Hospitality Supervision (HP4P 47)

This 2-credit Unit is designed to give students an understanding of the diversity of the role of the supervisor in the hospitality industry. Students will gain an understanding of the qualities a supervisor needs to enable them to be an effective supervisor and will equip them with the skills to be able to lead a small team of people in the hospitality environment. Students will be given the opportunity to carry out related practical activities.

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There are three Outcomes in this Unit.

Outcome 1 focuses on developing an understanding of the diverse range of skills required of the supervisor in a hospitality environment.

In Outcome 2 students are required to plan, implement and evaluate a training activity within a hospitality environment.

In Outcome 3 students are required to plan, implement and evaluate a supervisory activity within a hospitality environment.

Outcome 1 could be assessed through a combination of practical performance and the completion of mini case studies.

For Outcome 2, students should plan, implement and evaluate a training activity. The training activity should be carried out on a one-to-one basis and should last no more than 10 minutes. The activity should be a simple training activity, for example serving coffee or a drink, napkin folding, or entering a reservation.

For Outcome 3, students must undertake a supervisory activity; each student should supervise at least 3 other students. The activity should take place in the situation which reflects the students' learning environment, eg restaurant/front office, etc.

Information Technology: Applications Software 1 (HP6L 47)

This 1-credit Unit is designed to enable students to use Information Technology (IT) systems and applications independently to support a range of information processing activities and to develop a broad knowledge of the theoretical concepts of IT applications.

There are two Outcomes in this Unit.

Outcome 1 focuses on operating a range of IT equipment independently, giving attention to security and to other users.

In Outcome 2 students use a range of software application packages to meet complex information requirements.

Assessment is largely practical and lends itself to a single assessment containing a number of tasks in the form of a project or case study. An observation checklist should be used for Outcome 1. Outcome 2 requires the student to use 4 or more software packages, eg text, number, graphics, audio or video and to integrate 2 or more different data types, eg using Word, Excel, PowerPoint, Publisher, Access, Outlook and the Internet.

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Managing Hospitality Organisations 2 (HP4L 47)

This 1-credit Unit is designed to enable students to gain an understanding of managerial skills in planning, controlling and decision making.

There are three Outcomes in this Unit.

Outcome 1 looks at the decision making process in hospitality organisations.

Outcome 2 focuses on the nature and importance of a systematic planning process appropriate to a hospitality organisation.

Outcome 3 covers the stages of the control process and their relationship to planning.

This Unit could be assessed by a series of case studies with questions. It is recommended that each Outcome is assessed separately although the same organisation or situation could be used in more than one case study. Assessments should be carried out under controlled conditions.

Work Placement (HP4X 47)

This 1-credit Unit is designed to give recognition for a range of work experience activities that students may complete as part of a Higher National programme. It is intended for students who will benefit from a flexible approach where a work placement opportunity is tailored to individual needs and is part of their course of study and/or current employment needs. The work placement should take into account any individual prior learning and aim to develop work related skills. The aim of the unit is to develop the necessary essential workplace skills and experience to consider appropriate career development opportunities. The unit aims to enhance existing or new employment prospects and where possible to support progression into paid employment.

There are three outcomes in this unit

In Outcome 1 students will be required to prepare for a work placement opportunity.

In Outcome 2 students develop and enhance personal and vocational skills in the workplace.

In Outcome 3 students will required to review and evaluate their workplace experience and identify future career development progression.

The HN Work Placement unit can be assessed outcome by outcome. Alternatively, the unit can be assessed holistically as a portfolio of evidence gathered across all outcomes.

Hospitality Management: Graded Unit 1 (HP4V 47)

This 1-credit Unit will provide evidence that students have met the aims of the first year of the Group Award. It assesses the student's ability to integrate knowledge and skills and problem solving across eight of the first year Units. This Graded Unit will be assessed by the use of a case study.

YEAR 2 UNITS

Accommodation Management (HP4R 48)

This 1-credit Unit is designed to enable students to understand the management functions involved in the provision of accommodation services. In particular, this Unit will enable students to explore sustainable practices in the accommodation sector, as well as the monitoring and control of quality standards.

There are three Outcomes in this Unit.

Outcome 1 focuses on the evaluation of management functions involved in the provision of accommodation services.

Outcome 2 looks at the establishment of procedures to introduce and monitor sustainable practices.

For Outcome 3 students will develop and control quality standards in accommodation services.

This Unit could be assessed by a series of case studies with questions. It is recommended that each Outcome is assessed separately although the same organisation or situation could be used in more than one case study.

Gastronomy (HP4F 48)

This 2-credit Unit is designed to give students an understanding of what is involved in the thinking and compilation of a meal. It will draw on the experiences gained by students in previous Units and develop their understanding of food and its uses, menu compilation and production, wine and the customer's needs.

There are four Outcomes in this Unit.

Outcome 1 looks at the criteria for planning menus suitable for a range of occasions and establishments.

Outcome 2 focuses on identifying and evaluating wines and matching them with a variety of dishes.

For Outcome 3, students will design a menu which will satisfy customer expectations.

For Outcome 4, students will require to critically evaluate a gastronomic experience by demonstrating their ability to critically assess the menu, food and wines; appraising the professionalism of the restaurant staff; examining the setting/ambiance of the restaurant and giving a holistic view of the experience.

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Outcomes 1 and 2 could be assessed by restricted response questions which determine the students' knowledge of menus and matching food with wine, and a checklist used in the tasting exercise.

For Outcomes 3 and 4, students could compile a portfolio to include: a description of customers' expectations, including a record of communication; a copy of the designed menu; a description of why each wine was chosen, and an evaluation of their gastronomic experience to include an assessment of: the menu, food and wine; staff; setting/ambiance and overall enjoyment.

Managing Financial Resources in Hospitality (HP4C 48)

This 1-credit Unit is designed to introduce students to various control systems for use in the hospitality industry.

There are four Outcomes in this Unit.

Outcome 1 requires students to apply break-even analysis in practical decision making**.**

Outcome 2 looks at the preparation of a cash budget.

Outcome 3 covers the preparation of statements reconciling budgeted and actual net profit using variance analysis.

Outcome 4 focuses on the application of various pricing methods for a hospitality operation.

It is recommended that each Outcome is assessed separately. The assessments cover the use of break-even analysis, preparing cash budgets, comparative statements and pricing methods. Outcomes 1 and 4 should be conducted under closed-book supervised conditions. Outcomes 2 and 3 should be conducted under open-book supervised conditions.

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Human Resource Management Practice (J45T 48)

This 2-credit Unit concentrates on the procedures and processes connected with the employment of people by organisations. Students should be encouraged to make use of their own experience, particularly any work experience/placements. These could be discussed in relation to current good practice.

There are four Outcomes and four assessments. A variety of assessments could be used — written reports, case studies, role play, oral presentations, and projects.

Outcome 1 provides advice on the recruitment, selection and induction of employees. Students will follow good practice throughout the stages of recruitment and selection.

Students should be encouraged to collect information on real job vacancies and share their job search experiences. Tutor-led discussions and student research activities can help establish good practice.

Outcome 2 explores the objectives and constraints of the principal employee remuneration systems, including the advantage and disadvantages of employee services and benefits. Techniques for job evaluation schemes are investigated and a guest speaker could give students an insight into workplace application. A report can be used for assessment and it would be recommended students are issued with bullet points to ensure full coverage of the range.

Outcome 3 focuses on the principal objectives, constraints and implementation of employee appraisal systems. The roles of those involved should be clearly defined following good practice. Evidence for assessment can be gathered by written responses and supplemented by student role play scenarios.

Outcome 4 provides advice on the health, safety and welfare of employees. Students will research current legislation and discuss the principal causes of accidents at work. Strategies for dealing with increased stress levels should be investigated and good practice reported to managers. There are opportunities for team challenges to gather and present information for assessment purposes.

Kitchen Planning and Design (HP4K 48)

This 1-credit Unit is designed to introduce students to the skills required to evaluate the design of a production kitchen and the equipment used within the production kitchen. Students will learn how the following factors affect the design of a production kitchen; cost, efficiency, food hygiene and health and safety regulations.

There are three Outcomes in this Unit.

For Outcome 1 students will critically examine the factors affecting the planning, design and financing of a production kitchen.

For Outcome 2 students will analyse the effectiveness of a range of kitchen equipment for a food production kitchen.

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For Outcome 3 students will evaluate the effectiveness of a production kitchen design by producing a drawing/plan to accurate proportion and identifying legislation.

This Unit could be assessed by two assessments. Outcome 1 could be assessed by restricted response questions. Outcomes 2 and 3 could be assessed by a report or a portfolio of evidence which evaluates the effectiveness of a range of kitchen equipment and the design of a production kitchen.

Management of Food and Beverage Operations (HP4N 48)

This 3-credit Unit is designed to give students the opportunity to put into practice knowledge, understanding and skills gained in a range of operational areas and to enable them to demonstrate competence in managing a realistic food and beverage activity.

There are three Outcomes in this Unit.

For Outcome 1 students are required to develop an operational plan for a food and beverage service.

For Outcome 2 students will manage the implementation of the operational plan

In Outcome 3, students will critically evaluate the effectiveness of the operational plan.

The assessment for this Unit could be by a single instrument of assessment, which would require a portfolio covering all aspects of the event from planning through to evaluating. Alternatively it would be possible to break this assessment down into three separate assessment components which assess each Outcome individually. A practical checklist assessing the management of the practical activity on the day should also be used with each of the above and can be kitchen, restaurant or bar based. Ideally the operational plan for Outcome 1 should be completed and assessed prior to the implementation stage, ie Outcome 2.

Managing People and Organisations (HP71 47)

This 2-credit Unit consists of four Outcomes and assessment is based on a case study of a real or fictitious organisation. Students would normally be given 2–3 weeks to research and prepare their submissions. Tutors could use questioning to authenticate learning and ensure responses are the students' own work.

One case study can be used for assessment of all Outcomes but it would be recommended that students submit each Outcome separately. This approach helps students manage their assessment load, plus students benefit from tutor feedback and reflective learning.

In Outcome 1, students focus on the characteristics and purpose of the organisation and its environment. They will understand the importance of organisational goals, objectives and policy, the influence of key stakeholders and strategies of control.

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In Outcome 2, students will analyse factors that contribute to workplace performance. They will consider theoretical models and relate to individual performance and motivation. Teamwork should be encouraged and students given the opportunity to reflect on factors contributing to their team's performance in tasks set. Team tasks could be set that encourage students to work together researching and presenting key theories. In addition to the use of structured questions, some form of group assessment could be used to add value to team work.

In Outcome 3, students will analyse factors that influence managerial performance. They will examine the roles and activities of managers, ways to measure managerial performance and theories of leadership. There is scope to integrate with Outcome 2 and use team tasks to assist with research activities and help students explore the effectiveness of different leadership styles. Structured questions could be supplemented by evidence from team work. Students should be encouraged to submit evidence of reflective learning on their team/leader's performance, eg what did they do well, what could they improve on, action plan for improvements.

In Outcome 4, students are required to identify and compare alternative approaches to organising people and activities within the workplace. Tutors should ensure there is enough scope within the case study or real organisation to evidence this. The organisation should be one that would benefit from restructuring and provide students will scope to cover the range required and present an alternative structure.

Hospitality Management: Graded Unit 2 (HP4W 48)

This 2-credit Unit will provide evidence that students have met the aims of the second year of the Group Award. It assesses the student's ability to integrate knowledge and skills and problem solving across six of the second year Units. This Graded Unit will be assessed by the use of a case study.

6.3   Opportunities for integration of Units

It is envisaged that where possible centres will deliver this award in an integrative manner to help the students appreciate the interconnections between the various subjects.

Integration means identifying opportunities to combine areas of learning or assessment. This could mean devising one lesson which includes teaching two related topics or devising one assessment task which assesses more than one Outcome. A single assessment task could assess more than one Outcome from a Unit, or could bring Outcomes from different Units together in one task. This approach can reduce the overall number of assessment tasks needed, which is beneficial for students and for tutors.

Based on the proposed delivery of Years 1 and 2 the following opportunities exist for integration of delivery and/or assessment:

YEAR 1

Unit code	Unit title	Integration opportunity
HP4P 47	Hospitality Supervision Outcomes 2 and 3	Food and Beverage Service (HP4E 47)
HP7K 47	Business Accounting	Outcomes 1 and 2 Outcomes 3, 4 and 5
HP4E 47	Food and Beverage Service	Outcomes 2 and 3
HP4G 47	Hospitality Front Office Procedures 1	Outcomes 1 and 2 Outcomes 3 and 4
HP4L 47	Managing Hospitality Organisations 2	Outcomes 1, 2 and 3

YEAR 2

Unit code	Unit title	Integration opportunity
HP4R 48	Accommodation Management	Outcomes 2 and 3
HP4K 48	Kitchen Planning and Design	Outcomes 2 and 3
HP71 47	Managing People and Organisations	Outcomes 1, 2 and 3

7 Assessment in an SQA Advanced Diploma award

7.1 Assessment in learning and for certification

Assessment is the process of evaluating a student's learning.

Assessment takes place throughout the learning and teaching processes as well as the final assessment for certification. It can take many forms (for example: practical exercises, case studies, extended-response questions) and can be used for different purposes — including identifying prior knowledge, identifying gaps in learning, providing feedback to students as well as measuring student attainment.

Assessment as part of the learning process is called **formative** assessment. It provides developmental feedback to a student and tutors so that they can adjust their plan for future learning. It is not recorded for external purposes. **Formative** assessment is often called 'assessment for learning'.

Summative assessment is carried out for the purpose of certification. Through **summative assessment**, students provide evidence to demonstrate that they can achieve the Evidence Requirements detailed in the statement of standards of the relevant Unit specification. It is generally undertaken at the end of a learning activity or programme of learning and is used to make a judgement on the student's overall attainment.

7.2 Assessment planning of an SQA Advanced Diploma

All SQA Advanced Diploma qualifications are **summatively assessed** using a mix of continuous Unit assessment and Graded Unit assessments. It is helpful for students, the Course Team and the internal verifiers if the Course Team has an overview of when summative assessments are likely to occur. It is therefore common practice for a Course Team, prior to the start of course delivery, to agree the overall learning, teaching and assessment plan for the course. Part of this process requires tutors to agree when each Unit in the course will be **summatively assessed**.

In situations where Units of a course are being delivered in parallel, it is important that Course Teams make sure that the assessment load placed on students is manageable, although it is recognised that by its very nature summative assessments will occur towards the end of learning.

7.3   Planning the Unit summative assessment

For each Unit, it is helpful for tutors/assessors to draw up a Unit assessment plan which:

♦ describes what is to be assessed.
♦ says what assessment methods will be used.
♦ describes how the assessments are to be administered, eg practical, online, etc.
♦ defines opportunities for integrating assessment.
♦ provides a timetable for when the assessment will take place.
♦ notes arrangements that need to be made to take account of additional support needs or prior learning.
♦ describes the measures to be taken to ensure that the evidence produced is authentic and current.
♦ describes how and when requirements for record-keeping and quality assurance processes will be met.

7.4   Negotiating summative assessments with the students

Ultimately, it is up to the tutor to determine when a student is ready for summative assessment (within the agreed time constraints of the course timetable). A good way of gauging if a student is ready for assessment is to use a **practice assessment** (a final formative assessment which mirrors the summative assessment in terms of assessment method and an aspect of the Evidence Requirement where appropriate but it must not contain the same task detail as the summative assessment).

The tutor can use this assessment to identify the level of an individual student's competence and the outcome can help the tutor determine if the student is ready to attempt the summative assessment or if the student still has gaps in knowledge and understanding that need to be addressed through further work.

It is good practice to communicate assessment plans to students as early as possible in the course so that they know what to expect. A copy of the **proposed Course Assessment Plan** may be given to students at the start of the course, often during course induction. Thereafter, it is up to each tutor to make sure that students receive early warning of when assessment is likely to take place.

7.5   Summative assessment exemplars

Assessment exemplars are produced by SQA and are made available to centres for all Units in this SQA Advanced Diploma. Assessment exemplars are intended solely for the purpose of assessment of students against the standards given in the Unit specifications. **They must not be released prior to the assessment or be distributed for any other purpose. It is the centre's responsibility to maintain the security of all assessment exemplars.**

A Unit assessment exemplar will contain:

♦ details of the conditions under which the assessment is to be carried out.
♦ assessment tasks for each Outcome.
♦ a marking scheme or model answer to provide guidance to the tutor.
♦ checklists (where appropriate).

It is vital that tutors:

♦ adhere to the conditions for the assessment, ie open-book, closed-book, controlled conditions.
♦ ensure that the marking scheme or model answer is never issued to students.
♦ mark assessments consistently in line with the marking scheme or model answer provided.
♦ keep all assessment exemplars secure so that they can be used for future student assessments.

Once the student has completed the summative assessment, it is good practice for tutors to mark their student's work quickly and provide constructive feedback.

8 SQA Advanced Diploma in Hospitality Management assessment strategy and plan

8.1 SQA Advanced Diploma in Hospitality Management assessment strategy

A guide to the type and number of assessments in each Unit of the SQA Advanced Diploma in Hospitality Management is shown below.

Unit	Assessment — Year 1				
	Outcome 1	**Outcome 2**	**Outcome 3**	**Outcome 4**	**Outcome 5**
Accommodation Servicing (HP4D 47)	Open-book Questions based on case studies	Open-book Questions pertaining to the case studies of Outcome 1	Open-book Assignment		
Business Accounting (HP7K 47)	Practical exercise Supervised with access to pro forma layout only		Open-book report generated under supervised conditions. Questions and report linked to case study		
Food and Beverage Service (HP4E 47)	Open-book Questions related to the case study	Practical activities		Open-book Evaluative report/ interview	
Food Hygiene Intermediate (HP4M 47)	Closed-book Short-answer questions	Closed-book Short-answer questions	Closed-book Short-answer questions	Closed-book Short-answer questions	Closed-book Short-answer questions

Unit	Assessment — Year 1 (cont)				
	Outcome 1	**Outcome 2**	**Outcome 3**	**Outcome 4**	**Outcome 5**
Hospitality: Financial and Control Systems (HP4J 47)	Calculations using a spreadsheet Supervised, Open-book	Calculations using a spreadsheet Supervised, Closed-book	Manual and computer assessment Supervised, Open-book	Calculations and preparation of tabular statement and break-even chart Supervised, Open-book	
Hospitality Front Office Procedures 1 (HP4G 47)	Practical exercise using a computerised front office system Open-book, supervised		Practical exercise using a computerised front office system Open-book supervised		
Hospitality Front Office Procedures 2 (HP4H 47)	Practical exercise using a computerised front office system Controlled conditions	Practical exercise using a computerised front office system Controlled conditions	Practical exercise using a computer-ised front office system Controlled conditions		
Hospitality Industry (HP4T 47)	Short-answer questions Closed-book supervised conditions		Investigative report Open-book		
Hospitality Supervision (HP4P 47)	Case studies/ Performance evidence Open-book	Practical activities (portfolio of evidence) Open-book			
Information Technology: Applications Software 1 (HP6L 47)	Operation of IT equipment	Practical assignment			
Managing Hospitality Organisations 2 (HP4L 47)	Case study covering all three Outcomes Supervised with access to one A4 page of notes				
Work Placement (HP4X 47)	Prepare for a work placement opportunity	Practical exercise Carry out the work experience	Evaluate the work experience		
Hospitality Management: Graded Unit 1 (HP4V 47)	Project-based Graded Unit taking the form of a case study				

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Unit	Assessment — Year 2			
	Outcome 1	**Outcome 2**	**Outcome 3**	**Outcome 4**
Accommodation Management (HP4R 48)	Case studies with restricted response questions Open-book	Restricted response questions Open-book	Case studies with restricted response questions and Restricted response questions Open-book	
Gastronomy (HP4F 48)	Restricted response question Closed-book	Food and wine matching exercise and restricted response questions Closed-book	Preparation of menu, including wines Open-book	Evaluative report Open-book
Managing Financial Resources in Hospitality (HP4C 48)	Practical exercise Closed-book supervised	Practical exercise (manual or computer) Open-book, supervised	Practical exercise Open-book supervised	Practical exercise Open-book supervised
Human Resource Management Practice (J45T 48)	Case study report Open-book	Case study report Open-book	Case study report Open-book	Case study report Open-book
Kitchen Planning and Design (HP4K 48)	Restricted response questions Supervised conditions	Portfolio Open-book		
Management of Food and Beverage Operations (HP4N 48)	Operational plan Open-book	Practical exercise	Evaluation report Open-book	
	Alternatively assessment may be integrated			
Managing People and Organisations (HP71 47)	Open-book Case study Written and/or oral responses	Open-book Case study Written and/or oral responses	Open-book Case study Written and/or oral responses	Open-book Investigative project
Hospitality Management: Graded Unit 2 (HP4W 48)	Project-based Graded Unit taking the form of a case study			

8.2   SQA Advanced Diploma in Hospitality Management Course Assessment Plan

Suggested course assessment schedules for Year 1 and Year 2 are found in Appendices 2a and 2b.

They are based on two semesters of 17 weeks. Where centres have a different length of semester, they should amend their schedules accordingly.

If centres decide to deliver Units in a different order, they should amend their schedules accordingly.

8.3   SQA Advanced Diploma in Hospitality Management Graded Unit assessments

Hospitality Management: Graded Unit 1 (HP4V 47) Project (case study) at SCQF level 7 — 1 SQA Credit

Hospitality Management: Graded Unit 2 (HP4W 48) Project (case study) at SCQF level 8 — 2 SQA Credits

Graded Unit 1 is a project case study completed on an open-book basis over a period of time. This Unit covers the integration of a range of knowledge and skills focusing on:

HP4E 47	*Food and Beverage Service*
HP4J 47	*Hospitality Financial and Control Systems*
HP4P 47	*Hospitality Supervision*
HP4M 47	*Food Hygiene Intermediate*
HP4T 47	*Hospitality Industry*
HP4G 47	*Hospitality Front Office Procedures 1*
HP4H 47	*Hospitality Front Office Procedures 2*
HP4D 47	*Accommodation Servicing*

This assessment should take place during Year 1, Semester 2 to ensure that students have covered the topics which will be assessed within the Graded Unit.

Graded Unit 2 is a project case study completed on an open-book basis over a period of time.

This Unit covers the integration of a range of knowledge and skills achieved throughout selected Units of the SQA Advanced Diploma:

J45T 48	*Human Resource Management Practice*
HP4C 48	*Managing Financial Resources in Hospitality*
HP4N 48	*Management of Food and Beverage Operations*
HP4R 48	*Accommodation Management*
HP4L 47	*Managing Hospitality Organisations 2*
HP4X 47	*Work Placement*

In addition to the integration of knowledge and skills needed to complete the project investigation, students will develop their skills in planning, negotiation, research, analysis, time management and problem solving. The Core Skill of *Problem Solving* at SCQF level 6 is embedded and therefore automatically certificated on successful completion of the Unit.

This assessment should take place during Year 2, Semester 2 to ensure that students have covered the topics which will be assessed within the Graded Unit.

8.4   What happens if a student does not achieve an assessment?

If a student fails to demonstrate competence in a summative assessment, it is good practice to communicate this to the student quickly. Tutors should take time to individually feed back to students where they went wrong. Having given feedback, tutors should then advise students on what they need to do to prepare for re-assessment.

The student then undertakes additional work as discussed with the tutor, this is called remediation. It is when the student revises class work or practises skills covered in class **BEFORE** they attempt the re-assessment. It is important that students do get time to consolidate their knowledge and understanding before being re-assessed.

Re-assessment may take a variety of forms.

♦ For some assessments, students may be allowed to provide additional information, eg if a student has submitted a report based on a piece of independent research, s/he would be allowed to add the missing evidence and resubmit the report. The new information should be highlighted in such a way to show that it had been added, eg underlined, coloured and dated in the margin.
♦ For practical tasks related to their use of information technology, students may be permitted to correct work and resubmit — the original submission and the re-submission should both be kept.
♦ For multiple choice, short-response and Graded Units, students may be required to attempt a completely new assessment instrument.

Where specific action has to be taken for re-assessment details will be noted in the Unit specification and tutors must be familiar with the Unit specification requirements for re-assessment.

It is important to note that re-assessment does **NOT** always require that students complete a full new assessment. Re-assessment may (and often does) allow students to re-attempt the part of the Outcome that they have not completed to a standard which meets the Unit specification.

For all Units within this SQA Advanced Diploma in Hospitality Management, SQA provides **ONE** summative assessment. Centres are encouraged to produce their own material for summative and re-assessment purposes.

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Once a draft assessment has been prepared by the centre it should first be quality checked by centre staff (internally verified) and submitted to SQA for prior-verification to ensure that it is fit for purpose.[5]

If a student fails to reach the pass mark in the Graded Unit 1 —Project then he/she should be allowed to sit an alternative Project before the beginning of the next session to allow progression to Year 2. Students must complete all aspects of the new assessment instrument.

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[5] For centres wishing support in this process, an online course has been developed — *Produce SQA Unit assessments for successful prior verification*.

9   Quality Assurance

SQA is committed to providing qualifications and support to match the needs of individuals, society and the economy of Scotland and internationally. SQA believes that global interaction in education and training benefits our customers, clients, partners and SQA through the sharing of expertise and experience.

SQA has a balanced portfolio of qualifications that is inclusive, facilitates progression, reflects Scotland's educational, economic, social and cultural needs and changes, and supports education and training worldwide.

SQA works in partnership with our approved centres to achieve our shared goals of excellence and consistency. This ensures that SQA's qualifications continue to meet the requirements all users of our qualifications.

SQA's quality assurance models are designed to ensure that assessment decisions made to national standards are correct and consistent, and that national standards are maintained. We are committed to maintaining an assessment and quality system that is easy to understand, effectively administered, publicly accountable, and cost-effective to operate.

As well as working with centres to manage and enhance the quality of SQA qualifications, SQA routinely monitors its own performance. SQA establishes processes that need to be followed and submit these to regular auditing. This includes systematic evaluation and review of the effectiveness of our quality management processes. SQA also monitors standards across all our qualifications over time, to ensure consistency. Feedback from stakeholders is an integral part of SQA's review activities.

SQA is subject to external audit by a number of agencies, including the Scottish Government.

For assessed qualifications, SQA regularly monitors centres to ensure that they have the resources and expertise to assess students against the qualification criteria. (Assessment is where centres use assessment instruments to make decisions about students' work. External assessment is where SQA takes on these duties, usually in the form of examinations or externally assessed coursework. Only assessments are subject to quality assurance by verification.)

10   Verification

10.1   Introduction

SQA's quality assurance processes have been developed to ensure that national standards are applied to internally assessed Units or course components.

To maintain the credibility of SQA qualifications, we rely on effective collaboration with centres to ensure national standards are maintained across all qualifications at all levels.

Verification is the procedure that SQA uses to make sure that centres' assessment decisions are valid and reliable and are in line with national standards.

10.2   Why do we need verification?

Verification is one of a range of Quality Assurance measures used by SQA to confirm that:

♦ centres' assessment decisions are sound (ie valid, reliable and practicable).
♦ national standards are being uniformly applied.
♦ assessments are accurately and consistently applied across all students and levels.

This ensures qualifications and certification is credible with all students being assessed to a common standard.

10.3   Internal verification

Centres are responsible for the internal verification of their assessments. This means that centres should have an internal verification system — a system of having quality checks in place — which can be operated throughout the centre. Each tutor who is responsible for the assessment of students and/or internal verification of student material should:

♦ be made aware of their centre's quality assurance procedures.
♦ comply with these procedures.

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Centres will appoint staff members to be internal verifiers. Internal verifiers will ensure that assessors apply standards of assessment uniformly and consistently. They should keep records of internal verification activity for external verifiers to access. Examples of records include:

♦ evidence of planned verification for the semester which conforms to the centre's verification strategy
♦ minutes of meetings where assessment work is examined and where discussion about acceptable standards is noted and decisions recorded
♦ internal verification forms showing which students' work has been verified and the outcome. Note where an assessor carries out observations, internal verifiers should also observe the assessor
♦ evidence of discussion and support of assessors, particularly where student work has not been accepted by the internal verifier
♦ evidence of reporting back to the Course Team, any recommendations/actions required and evidence that these are acted upon

10.4   External verification

To ensure national consistency in assessment decisions, SQA appoints experienced teachers/lecturers who have good experience in the delivery and assessment of their subject to carry out external verification in centres. SQA will notify the SQA Co-ordinator if your centre has been selected for verification.

SQA wants to encourage centres and staff to see verification in a positive light, as a valuable Quality Improvement tool.

Appendix 1a: Core Skills Year 1[6]

Unit code	Unit title	Communication		Numeracy		ICT		Problem Solving			Working with Others	
		Written Communication	Oral Communication	Using Number	Using Graphical Information	Accessing Information	Providing/Creating Information	Critical Thinking	Planning and Organising	Reviewing and Evaluating	Working Co-operatively with Others	Reviewing Co-operative Contribution
HP4P 47	Hospitality Supervision	SCQF 6 S	✓	✓	✓	SCQF 5 S	SCQF 4 S	✓	✓	✓	✓	✓
HP4T 47	Hospitality Industry	SCQF 6 S	✓			SCQF 5 S	SCQF 4 S	✓				✓
HP4J 47	Hospitality: Financial and Control Systems				✓	✓	✓		✓			
HP4E 47	Food and Beverage Service			✓								✓
HP4M 47	Food Hygiene Intermediate											
HP4D 47	Accommodation Servicing	✓	✓				✓		✓	✓	✓	
HP4G 47	Hospitality Front Office Procedures 1	✓	✓		✓	✓	✓		✓			
HP4H 47	Hospitality Front Office Procedures 2	✓	✓		✓	✓	✓		✓			
HP6L 47	Information Technology: Applications Software 1					SCQF 6 E	SCQF 6 E					
HP7K 47	Business Accounting	SCQF 5 S	SCQF 5 S		SCQF 6 E							
HT34 47	Managing Hospitality Organisations 2		✓				✓		✓		✓	
HP4V 47	Hospitality Management: Graded Unit 1							SCQF 5 E	SCQF 5 E	SCQF 5 E		

[6]S = signposted, E = embedded **(shade as S — yellow and E — green)**

✓ — opportunities to develop Core Skill

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Appendix 1b: Core Skills Year 2[7]

Unit code	Unit title	Communication		Numeracy		ICT		Problem Solving			Working with Others	
		Written Communication	Oral Communication	Using Number	Using Graphical Information	Accessing Information	Providing/Creating Information	Critical Thinking	Planning and Organising	Reviewing and Evaluating	Working Co-operatively with Others	Reviewing Co-operative Contribution
HP4X 47	Work Placement							SCQF 6 E	SCQF 6 E	SCQF 6 E		
HP4C 48	Managing Financial Resources in Hospitality				✔	✔			✔			
HP4N 48	Management of Food and Beverage Operations	SCQF 6 S	✔	✔		SCQF 4 S	SCQF 4 S	SCQF 6 S	✔	SCQF 6 S	SCQF 6 S	✔
HP4R 48	Accommodation Management	SCQF 6 S	✔			SCQF 5 S	SCQF 4 S	✔		✔		
J45T 48	Human Resource Management Practice	✔	✔					✔	✔			
HP4N 48	Management of Food and Beverage Operations	SCQF 6 S	✔	✔			✔	SCQF 6 S	✔	SCQF 6 S	SCQF 6 S	✔
HP4K 48	Kitchen Planning and Design	✔	✔								✔	
HP4F 48	Gastronomy			✔		✔				✔		✔
HP71 47	Managing People and Organisations	SCQF 6 S						SCQF 6 S		SCQF 6 S		
HP4W 48	Hospitality Management: Graded Unit 2							SCQF 6 E	SCQF 6 E	SCQF 6 E		

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[7]S = signposted, E = embedded **(shade as S — yellow and E — green)**
✔ — opportunities to develop Core Skill

Appendix 2a: Year 1, Semester 1 — Assessment Plan (Option A)

Integrated assessment for Outcomes 1 and 2.

Unit title and code\Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Accommodation Servicing (HP4D 47)						X 1				X 2				X 3			
Business Accounting (HP7K 47)													X* 1, 2				
Food and Beverage Service (HP4E 47)				X 1													
Food Hygiene Intermediate (HP4M 47)			X 1			X 2			X 3			X 4			X 5		
Hospitality: Financial and Control Systems (HP4J 47)					X 1			X 2			X 3			X 4			
Hospitality Front Office Procedures 1 (HP4G 47)							x* 1, 2								x* 3, 4		
Hospitality Front Office Procedures 2 (HP4H 47)	Shaded row indicates Units delivered in Semester 2																
Hospitality Industry (HP4T 47)																	
Hospitality Supervision (HP4P 47)				X 1								X 2					
Information Technology: Applications Software 1 (HP6L 47)				X 1								X 1					
Managing Hospitality Organisations 2 (HT34 47)																	
Work Placement (HP4X 47)																	
Hospitality Management: Graded Unit 1 (HP4V 47)																	

Submission date is shown by an X, X* indicates integrated assessment and Outcomes integrated.

Appendix 2a: Year 1, Semester 2 — Assessment Plan (Option A)

Unit title and code\Week	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Accommodation Servicing (HP4D 47)	Shaded rows indicate Units delivered in Semester 1																
Business Accounting (HP7K 47)														X* 3, 4, 5			
Food and Beverage Service (HP4E 47)						X 2									X 3		
Food Hygiene Intermediate (HP4M 47)																	
Hospitality: Financial and Control Systems (HP4J 47)																	
Hospitality Front Office Procedures 1 (HP4G 47)																	
Hospitality Front Office Procedures 2 (HP4H 47)			X 1					X 2					X 3				
Hospitality Industry (HP4T 47)					X 1			X 2							X 3		
Hospitality Supervision (HP4P 47)						X 3											
Information Technology: Applications Software 1 (HP6L 47)																	
Managing Hospitality Organisations 2 (HP4L 47)														X* 1,2,3			
Work Placement (HP4X 47)												X 1					
Hospitality Management: Graded Unit 1 (HP4V 47)															X		

Submission date is shown by an X, X* indicates integrated assessment and Outcomes integrated.

Integrated Assessment for Outcomes 2 and 3

Appendix 2b: Year 2, Semester 1 — Assessment Plan (Option A)

Unit title and code\Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Accommodation Management (HP4R 48)						X 1									X* 2, 3		
Gastronomy (HP4F 48)				X 1									X 2				
Managing Financial Resources in Hospitality (HP4C 48)					X 1			X 2				X 3		X 4			
Human Resource Management Practice (J45T 48)					X 1							X 2					
Kitchen Planning and Design (HP4K 48)	**Shaded row indicates Unit delivered in Semester 2**																
Management of Food and Beverage Operations (HP4N 48)							X 1										
Managing People and Organisations (HP71 47)										X* 1,2,3				X 4			
Work Placement (HP4X 47)			X 2		X 3												
Hospitality Management: Graded Unit 2 (HP4W 48)																	

Submission date is shown by an X, X* indicates integrated assessment and Outcomes integrated.

Appendix 2b: Year 2, Semester 2 — Assessment Plan (Option A)

Unit name\Week	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Accommodation Management (HP4R 48)	Shaded row indicates Unit delivered in Semester 1																
Gastronomy (HP4F 48)									X 3						X 4		
Managing Financial Resources in Hospitality (HP4C 48)																	
Human Resource Management Practice (J45T 48)							X 3							X 4			
Kitchen Planning and Design (HP4K 48)					X 1									X* 2, 3			
Management of Food and Beverage Operations (HP4N 48)								X 2							X 3		
Managing People and Organisations (HP71 47)																	
Work Placement (HP4X 47)																	
Hospitality Management: Graded Unit 2 (HP4W 48)															X		

Submission date is shown by an X, X* indicates integrated assessment and Outcomes integrated.

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Appendix 3: Error Tolerance Guidance Notes

Background

There are a range of **SQA Advanced Accounting Units** that are included in a number of the SQA Advanced Diploma fixed frameworks. These are:

- Recording Financial Transactions – HP6F 46
- Recording Financial Information – HP04 47
- Business Accounting – HP7K 47
- Financial Reporting and Analysis – HP08 48
- Management Accounting for Decision Making – HP05 48
- Preparing Financial Forecasts – HP70 48
- Cost Accounting – HP5H 47

In the past these Units were designed with the need for students to achieve a percentage of available marks (usually 70%) for each Outcome within the Unit specification. In line with SQA policy, a new approach to Accounting Units was introduced in 2010. This new approach is called 'Error Tolerance'. An Error Tolerance statement is provided within each Unit under the Evidence Requirements for each Outcome. This statement clearly indicates the acceptable number of errors (i.e. the threshold) a student may make within the evidence they produce.

Centres must note:

- The Error Tolerance approach is **only** applicable to the Units listed above and where indicated within the Unit specification.
- It is the centre's responsibility to ensure that they use most **current** Unit specification at the time of assessment. Error Tolerances may be reviewed and amended from time to time.

Error Tolerance Guidance Notes

Following extensive consultation and feedback from stakeholders SQA has developed two types of error which fall within the guidance. These are:

- Errors of Principle, and
- Arithmetic or Computational Errors

To help assessors develop an understanding of the use of Error Tolerances, SQA has produced a list for each category. The information which follows is not an exhaustive list, but a guidance note to assist assessors in making assessment decisions. As with all SQA qualifications, the professional judgement of the assessor is paramount and remains at the centre of all assessment decisions.

In addition to the list provided, an example of marked scripts for two Outcomes of two Units is also available to illustrate the marking of assessments under the Error Tolerance guidelines. This can be downloaded from SQA's secure website. This document **must** be retained in a secure manner in the same way that all SQA produced Assessment Exemplars and Assessment Support Packs (ASPs) must be treated.

Types of Errors

Commonly in the Unit specifications, two types of errors will be mentioned — Arithmetic/Computational Errors and Errors of Principle.

Arithmetic/Computational Errors

Common types of errors which are likely to be classified as arithmetic are:

♦ Transposition errors
♦ Errors where students write 'add' but subtract the figure instead
♦ Incorrect processing of £000s where a Trial Balance, for example, is presented in £000 but the notes to the accounts provide the full figures and the student has included the full figure, including the £000
♦ Incorrect totals — the individual figures may be correct but the addition and subtraction has been incorrectly completed
♦ Running balances in ledger accounts not correctly identified as Debit or Credit
♦ Incorrect calculations of inventory in inventory valuation tasks
♦ Incorrect application of time multiplied by rate, for example in wages calculations
♦ Incorrect calculation of proportions in overhead analysis

Errors of Principle

Common types of errors which are likely to be classified as errors of principle are:

♦ Error of commission
♦ Error of omission
♦ Reversal of entries
♦ Incorrect classification of items in financial statements eg Trade Payables included in current assets
♦ Incorrect use of inventory valuation methods ie FIFO instead of LIFO
♦ Inclusion of depreciation in a Cash Budget
♦ Wrong equations used in variances
♦ Wrong figures selected for ratios
♦ Gross figures entered in the general ledger
♦ VAT calculations not correct
♦ Inappropriate method of apportionment
♦ When preparing master budgets, incorrect figures included in final accounts eg figure for materials consumed included rather than materials purchased
♦ Depreciation calculations incorrectly carried out ie reducing balance rather than straight line
♦ Incorrect calculation of contribution
♦ Outputs and inputs reversed in VAT
♦ Process costs calculated not taking wastage into account
♦ Ledger balances posted to the Trial Balance incorrectly, ie credit balances on inventory accounts; sales in the DR column
♦ Capital allowances incorrectly identified
♦ Transposition of the rate of exchange to be used in a currency transaction
♦ Failure to apply a currency purchase as a debit/current delivery as a credit
♦ Incorrect formulae used to calculate an investment ratio
♦ Incorrect application of calculation of settlement days in a gilts transaction

Appendix 4: New Terminology to Comply with FRS 102 Requirements

Current UK Terminology	International Terminology
Accruals	Other payables
Balance sheet	Statement of financial position
Bank and cash	Cash and cash equivalents
Cash flow statement	Statement of cash flows
Cost of goods sold	Cost of sales
Creditors: amounts falling due within one year (heading)	Current liabilities
Equity or capital	Equity
Final accounts	Financial statements
Fixed assets	Non-current assets
Goodwill, etc	Intangible assets
Interest payable	Finance costs
Interest receivable	Investment revenues
Investments	Investment property
Land and buildings	Property
Loans repayable after one year	Bank loan (also other loans)
Loans repayable within one year	Bank overdrafts and loans
Long term liabilities Creditors: amounts falling due after more than one year	Non-current liabilities
Net loss	Loss for the year
Net profit	Profit for the year
Prepayments	Other receivables
Profit and loss account	Income statement
Profit and loss appropriation account	There is no appropriation account – this is partly replaced by the statement of changes in equity
Proposed dividends	No proposed dividends as only dividends that have been approved are included
Sales	Revenue (where used in income statements)
Stocks of raw materials and finished goods	Inventory
Sundry expenses	Other operating expenses
Sundry income	Other operating income
Trade creditors	Trade payables
Trade debtors	Trade receivables
Trading and profit and loss account	Income statement

Appendix 5: Suggested Layouts for Financial Statements

These layouts are **suggestions** only and are not prescriptive.

Other suitable alternatives which conform to the general principles of FRS 102 will be acceptable.

SOLE TRADER

J Bloggs - Sole Trader		
Income Statement for the year ended 31 December ….		
	£	£
Revenue [net of Discount Allowed]		150,000
Cost of goods sold		
Opening inventory	12,000	
Add: Purchases [net of Discount Received]	68,000	
	80,000	
Less: closing inventory	14,000	
		66,000
Gross profit		**84,000**
Less: Expenses		
Rent and rates	1,400	
Heat and light	1,600	
Wages and salaries	8,800	
Loan interest	1,200	
Van expenses	900	
Depreciation	2,000	
Sundry expenses	3,000	
		18,900
		65,100
Other operating income: Commission Received		2,000
Profit for the year		**67,100**

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	£	£
Non-current assets		
Property, plant and equipment		60,000
Current assets		
Inventories	14,000	
Trade receivables	32,000	
Other receivables	8,000	
Bank and Cash	4,000	
		58,000
Total Assets		**118,000**
Capital		
Opening balance		36,000
Add: Profit for year		67,100
		103,100
Less: Drawings		5,000
		98,100
Non-current liabilities		
Loan		8,300
Current liabilities		
Trade payables	6,000	
Other payables	4,300	
Bank overdraft	1,300	11,600
Total Equity and Liabilities		**118,000**

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PARTNERSHIP

Blogg & Blagg - Partnership		
Income Statement and Appropriation Account for the year ended 31 December ….		
	£	£
Revenue [net of Discount Allowed]		150,000
Cost of goods sold		
Opening inventory	12,000	
Add: Purchases [net of Discount Received]	68,000	
	80,000	
Less: closing inventory	14,000	
		66,000
Gross profit		**84,000**
Less: Expenses		
Rent and rates	1,400	
Heat and light	1,600	
Wages and salaries	8,800	
Loan interest	1,200	
Van expenses	900	
Depreciation	2,000	
Sundry expenses	3,000	
		18,900
		65,100
Other operating income: Commission Received		2,000
Profit for the year		**67,100**
Interest on drawings		
Blogg	500	
Blagg	600	1,100
		68,200
Salary		
Blogg		12,200
Interest on Capital		
Blogg	5,000	
Blagg	4,000	9,000
		47,000
Profit share		
Blogg 60%	28,200	
Blagg 40%	18,800	
		47,000

Blogg & Blagg - Partnership		
Statement of Financial Position at 31 December		
	£	£
Non-current assets		
Property, plant and equipment		60,000
Current assets		
Inventories	14,000	
Trade receivables	32,000	
Other receivables	8,000	
Bank and Cash	4,000	
		58,000
Total Assets		**118,000**
Capital Accounts		
Blogg	22,000	
Blagg	20,000	
		42,000
Current Accounts		
Blogg *note[8]*	26,000	
Blagg *note*	30,100	
		56,100
Non-current liabilities		
Loan		8,300
Current liabilities		
Trade payables	6,000	
Other payables	4,300	
Bank overdraft	1,300	
		11,600
Total Equity and Liabilities		**118,000**

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[8] Working note required to calculate closing Current Account balances.

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Medium Ltd - Limited Company		
Income Statement for the year ended 31 December		
	£	£
Revenue *[net of Discount Allowed]*		150,000
Less: Cost of Sales		
Opening inventory	12,000	
Add: Purchases *[net of Discount Received]*	68,000	
	80,000	
Less: closing inventory	14,000	
		66,000
Gross profit		**84,000**
Less: Expenses		
Rent and rates	1,400	
Heat and light	1,600	
Wages and salaries	8,800	
Van expenses	900	
Depreciation	2,000	
Sundry expenses	3,000	
		17,700
		66,300
Other operating income		2,000
Profit/loss on disposal of operations		0
Operating profit *[profit before interest and tax]*		**68,300**
Finance income/investment income *[interest receivable and similar income]*		0
Finance costs *[interest payable and similar charges]*		-1,200
Profit on ordinary activities before taxation		**67,100**
Taxation		0
Profit on ordinary activities after taxation and profit for the financial year *[to SOCE]*		**67,100**
Other comprehensive income		
Actuarial losses on defined benefit pension plans *minus*		0
Deferred tax movement relating to actuarial losses *plus*		0
Total comprehensive income for the year		**67,100**

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Medium Ltd - Limited Company		
Statement of Financial Position at 31 December …..		
	£	£
Non-current assets		
Intangible assets		0
Property, plant and equipment		60,000
Investments		0
		60,000
Current assets		
Inventories	14,000	
Trade receivables	32,000	
Other receivables	8,000	
Bank and Cash	4,000	58,000
Total Assets		**118,000**
Capital and Reserves		
Ordinary Share Capital		16,000
Share premium		4,000
General reserve		6,100
Retained earnings		72,000
Equity *see SOCE*		**98,100**
Non-current liabilities		
Loan		8,300
Current liabilities		
Trade payables	6,000	
Other payables	4,300	
Bank overdraft	1,300	11,600
Total Equity and Liabilities		**118,000**

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Medium Ltd - Limited Company					
Statement of Changes in Equity					
	Share Capital	**Share Premium**	**Retained Earnings**	**General Reserve**	**Total Equity**
	£	**£**	**£**	**£**	**£**
Balance at 1 January…..	16,000	4,000	5,300	6,100	31,400
Changes in Equity for 2XXX					
Issue of share capital	0	0			0
Transfers				0	0
Profit for year			67,100		67,100
Dividends			-400		-400
Balance at 31 December…..	**16,000**	**4,000**	**72,000**	**6,100**	**98,100**

Worked Example of Question for a PLC

conforming to FRS 102

(The Statement of Financial Position included in this example is slightly different from the others contained in this Appendix. Large PLCs usually have *much more going on* re the complexity and movements in their capital and especially reserves so tend to present it last. It is a question of relevance and style to the organisation involved.)

BOSS plc

The following Trial Balance has been extracted from the books as at 31 December 2014

	£000	£000
Trade receivables	1,200	
Trade payables		408
Inventory 1 January 2014	160	
Revenue		3,700
Purchases of goods for resale	1,820	
Retained earnings		300
Freehold land	980	
Property	600	
Depreciation: Property 1 January 2014		40
Plant and Machinery	900	
Depreciation: Plant and Machinery 1 January 2014		300
Distribution costs	120	
Deferred taxation		140
Corporation tax		30
Cash at bank and in hand	100	
Administration expenses	488	
Interim dividend paid on Ordinary Shares	80	
Non-current asset investments	280	
Dividends from investments		40
Ordinary Shares of £1		1,000
4% Preference Shares of £1 fully paid		600
8% Debentures		200
Preference dividend paid	24	
Other receivables	36	
Other payables		12
Allowance for doubtful debts		34
Loss on discontinued operations	16	
	6,804	**6,804**

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Required:

From the Trial Balance and additional information, together with your knowledge of UK Companies Act legislation and relevant accounting standards, you are required to complete a 'draft' set of financial statements for the year ended ………..

Note that there is no requirement for comparative figures or a Statement of Cash Flows.

1	Inventories at 31 December was estimated to be worth (valued at the lower of cost of NRV)	180,000
2	During the year Plant and Machinery was acquired for	300,000
3	Government grants are due to be received relating to the acquisition of the Plant and Machinery during the year. No record has yet been made of this in the accounts.	60,000
4	Depreciation is to be provided on the basis of:	

Property – 50 years on a SLN basis. Depreciation to be apportioned: 70% to production; 20% to distribution; 10% to administration

Plant and Machinery – 20% on a RBM basis. Plant and machinery relates to production.

Note: A full year's depreciation is charged in the year of acquisition and no depreciation is charged in the year of disposal.

5	The freehold land was purchased several years ago when the company moved premises. On 30 June 2013 the land was valued on an open market basis by qualified surveyors at	1,400,000

The directors wish to incorporate this into the accounts.

6	Corporation tax on profits on ordinary activities for the year ended 31 December is estimated at	180,000
7	Administration expenses include auditors' remuneration of	34,000
8	The debenture interest should be accrued	
9	The allowance for doubtful debts should be adjusted to 2% of net debtors.	
10	Deferred tax should be increased by	48,000
11	A legal claim for damages due to faulty products is pending. It is probable that the company may have to pay this claim of	44,000

BOSS plc	
Statement of Comprehensive Income	

Continuing operations	**£000**
Revenue	3,700
Cost of Sales	-1,960
Gross profit	**1,740**
Operating expenses	-602
Profit from operations	**1,138**
Finance costs	-16
Fair value adjustment	0
Investment income	40
Profit before tax	**1,162**
Taxation	-198
Profit for year	**964**
Discontinued operations	
Loss from discontinued operations	-16
Total profit for the period	**948**
Other comprehensive income:	
Revaluation gain	420
Total comprehensive income	**1,368**

BOSS plc	
Statement of Financial Position	
Non-current assets	**£000**
Intangible assets	0
Property, plant and equipment	2,428
Investments	280
	2,708
Current assets	
Inventories	180
Trade and other receivables	1,272
Cash and cash equivalents	100
	1,552
Total assets	**4,260**
Current liabilities	
Trade and other payables	-420
Deferred income	-12
Financial liabilities	-16
Current tax liabilities	-180
	-628
Non-current liabilities	
Provisions	-44
Deferred income	-36
Financial liabilities	-200
Deferred tax liabilities	-188
Total liabilities	**-1,096**
Net Assets	**3,164**
Shareholders' equity	
Called up share capital	1,600
Share premium account	0
Revaluation reserve	420
Retained earnings	1,144
Equity shareholders' funds	**3,164**
Total equity	**3,164**

Statement of Changes in Equity for the year ended…

	Share Capital £000	Retained Earnings £000	Share Premium £000	Revaluation Reserve £000	Total £000
Balance as at 1 January 20xx	**1,600**	**300**	**0**	**0**	**1,900**
Gain on revaluation of land and buildings				420	420
Share issue	0		0		0
Profit/loss for the year		948			948
Dividends		-104			-104
Balance as at 31 December 20xx	**1,600**	**1,144**	**0**	**420**	**3,164**

Property, Plant and Equipment

Tangible Non-Current Assets 1,000	Land	Property	P&M	Total
Cost/Valuation				
As at 1 January	980	600	600	2,180
Additions	0	0	300	300
Revaluations	420	0		420
Disposals	0	0		0
As at 31 December	**1,400**	**600**	**900**	**2,900**
Depreciation				
As at 1 January		40	300	340
Charge for year		12	120	132
Relating to disposals				0
As at 31 December	**0**	**52**	**420**	**472**
Net Book Value				
As at 31 December	**1,400**	**548**	**480**	**2,428**

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Cost of Sales			**£000**
i	Opening inventory		160
	Purchases of goods for resale		1,820
	Government grant receivable [60 * 20%]		-12
	Depreciation Property 70%		8
	P&M		120
	Provision for Liability		44
			2,140
	Less: Closing inventory		-180
			1,960

Distribution costs			
ii	As per trial balance		120
	Depreciation Property 20%		2
			122

Administration expenses			
iii	As per trial balance		488
	Depreciation Property 10%		1
	Bad debt provision - *decrease*		-10
			479

Operating expenses			
iv	Distribution costs		122
	Administration expenses		479
			602

v	**Finance costs**	
	Debenture Interest [200 * 8%]	**16**

vi	**Taxation**	
	Tax for year	180
	Adjustment for over-provision	-30
	Transfer to deferred taxation	48
		198

vii	**Deferred tax**	
	As per TB	140
	Increase in deferred taxation	48
		188

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viii	***Provisions***		
	Deferred taxation as per TB		140
	Deferred taxation - increase		48
	Contingent liability		44
			232

ix	**Current liabilities**		
	Trade creditors		408
	Other payables		12
			420

x	**Deferred income**		
	Government grant receivable	**CL**	**12**
	Deferred income	**NCL** [60 – 24]	**36**
			48

xi	**Current tax liabilities**	
	Tax for year	**180**

xii	**Trade and other receivables**			
Trade receivables				1,200
BDP	[1,200 * 2%	=	24]	-24
As per trial balance			34	1,176
			-10	
Prepayments and accrued income				36
Government grant				60
				1,272

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JOURNALS

			Dr	Cr
1	Inventory	**SFP**	180	
	Cost of Sales (Closing Inventory)	**SCI**		180
	Being value of closing inventory at the year end			
2	Trade and other receivables	**SFP**	60	
	Cost of sales	**SCI**		12
	Deferred income CL	**SFP**		12
	NCL	**SFP**		36
	Being government grant receivable			
3	Cost of sales	**SCI**	128	
	Distribution costs	**SCI**	2	
	Administration expenses	**SCI**	1	
	Depreciation Property	**SFP**		12
	P&M	**SFP**		120
	Being depreciation charges for the year			
4	Freehold land	**SFP**	420	
	Revaluation reserve	**SFP**		420
	Being revaluation of freehold land			
5	Taxation	**SCI**	180	
	Current tax liabilities	**SFP**		180
	Being corporation tax estimate for the year			
6	Finance costs	**SCI**	16	
	Financial liabilities CL	**SFP**		16
	Being accrued debenture interest			
7	BDP	**SFP**	10	
	Administration expenses	**SCI**		10
	Being adjustment to BDP			
8	Taxation	**SCI**	48	
	Deferred tax	**SFP**		48
	Being increase in deferred taxation			
9	Cost of Sales	**SCI**	44	
	Provisions	**SFP**		44

Being claim for damages

Statement of Financial Position as at 31 December				
	Year 1		**Year 2**	
	£000	**£000**	**£000**	**£000**
Non-Current Assets				
Intangible non-current assets		260		700
Property, plant and equipment		710		1,800
Investments		1,400		1,400
		2,370		3,900
Current Assets				
Inventories	520		660	
Trade receivables	890		1,200	
Investments	240		240	
Other receivables	2		10	
Bank	60		80	
Cash	0		0	
	1,712		2,190	
Less: Current liabilities				
Trade payables	700		900	
Overdraft	11		152	
Corporation tax	120		200	
Debenture interest	10		10	
Income tax due	2		2	
Other payables	5		22	
Proposed dividends				
Ordinary	200		70	
Preference	10		10	
	1,058		1,366	
Net current assets		654		824
		3,024		4,724
Less: Non-Current Liabilities				
Debentures		900		1,000
Total net assets		**2,124**		**3,724**
Capital and Reserves				
Ordinary share capital	1,300		1,600	
Preference share capital	100		120	
		1,400		1,720
Share premium	0		50	
General reserve	200		448	
Retained profit	524		1,506	
		724		2,004
		2,124		**3,724**

Notes to the accounts:

		£000
1	Non-Current Asset disposal:	
	Net book value	160
	Sold for	210
2	Depreciation charge for year	120

Required: Prepare a Statement of Cash Flows for the year to Year 2.

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STATEMENT OF CASH FLOWS

<table>
<tr><td colspan="3" style="background:yellow">Statement of Cash Flows
for year ended 31 December ……..</td></tr>
<tr><td></td><td>Note</td><td>£000</td></tr>
<tr><td>Cash flows from operating activities</td><td></td><td></td></tr>
<tr><td>Profit for the financial year</td><td></td><td>1,520</td></tr>
<tr><td>Adjustments for:</td><td></td><td></td></tr>
<tr><td>Depreciation of property, plant and equipment</td><td></td><td>120</td></tr>
<tr><td>Gain/Loss on disposal</td><td></td><td>-50</td></tr>
<tr><td>Interest paid</td><td></td><td>0</td></tr>
<tr><td>Interest received</td><td></td><td>0</td></tr>
<tr><td>Taxation</td><td></td><td>0</td></tr>
<tr><td>Decrease/(increase) in trade and other receivables</td><td></td><td>-310</td></tr>
<tr><td>Decrease/(increase) in prepayments</td><td></td><td>-8</td></tr>
<tr><td>Decrease/(increase) in inventories</td><td></td><td>-140</td></tr>
<tr><td>Increase/(decrease) in trade payables</td><td></td><td>200</td></tr>
<tr><td>Increase/(decrease) in trade accruals</td><td></td><td>17</td></tr>
<tr><td>Cash from operations</td><td></td><td>1,349</td></tr>
<tr><td>Interest paid</td><td></td><td>-10</td></tr>
<tr><td>Income taxes paid</td><td></td><td>-120</td></tr>
<tr><td>Net cash generated from operating activities</td><td></td><td>1,219</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>Cash flows from investing activities</td><td></td><td></td></tr>
<tr><td>Proceeds from sale of equipment</td><td></td><td>210</td></tr>
<tr><td>Purchases of property, plant and equipment</td><td></td><td>-1,370</td></tr>
<tr><td>Purchases of intangible assets</td><td></td><td>-440</td></tr>
<tr><td>Interest received</td><td></td><td>0</td></tr>
<tr><td>Net cash from investing activities</td><td></td><td>-1,600</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>Cash flows from financing activities</td><td></td><td></td></tr>
<tr><td>Issue of ordinary share capital</td><td></td><td>300</td></tr>
<tr><td>Issue of preference share capital</td><td></td><td>20</td></tr>
<tr><td>Increase in share premium</td><td></td><td>50</td></tr>
<tr><td>Issues/Repayment of borrowings</td><td></td><td>100</td></tr>
<tr><td>Dividends paid</td><td></td><td>-210</td></tr>
<tr><td>Net cash used in financing activities</td><td></td><td>260</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>Net increase/(decrease) in cash and cash equivalents</td><td></td><td>-121</td></tr>
<tr><td>Cash and cash equivalents at beginning of year</td><td></td><td>289</td></tr>
<tr><td>Cash and cash equivalents at end of year</td><td></td><td>168</td></tr>
</table>

Workings

Asset		NBV		Total Acquisitions	
NCA	s/y	710		Intangible	440
	Less: Disposals	160		NCA	1,370
		550			**1,810**
	Less: Depreciation	120		**Total Receipts**	
		430		NCA	210
	Acquisitions	**1,370**			**210**
	e/y	1,800		NCA	
				Net book value	160
				Receipt	210
				Gain/loss on disposal	**-50**

Profit for financial year		£000			Yr 2	Yr 1	Change
Retained profit	Year 2	1,506		Bank	80	60	20
Retained profit	Year 1	-524		Cash	0	0	0
					-		
		982		Overdraft	152	-11	-141
Add back:				Investments	240	240	0
Proposed dividends		80			**168**	**289**	**-121**
General reserve		248					
Corporation tax		200					
Debenture interest		10					
		1,520					

Appendix 6: Summary of Commonly Used Ratios within SQA Accounting Units

For SQA Accounting Units at SCQF levels 6, 7 and 8, these are the most commonly used ratios, but other alternatives are acceptable in line with current accounting practice.

Profitability Ratios

'Profit before interest' is profit before interest and tax where applicable.

$$Gross\ Profit\ ratio = \frac{Gross\ Profit}{Net\ Sales\ (Revenue)} \times 100$$

$$(also\ known\ as\ Gross\ Profit\ percentage)$$

$$Mark\ up = \frac{Gross\ Profit}{Cost\ of\ Sales} \times 100$$

$$Operating\ Profit\ ratio = \frac{Profit\ Before\ Interest}{Net\ Sales\ (Revenue)} \times 100$$

$$(also\ known\ as\ Operating\ Profit\ percentage)$$

$$Return\ on\ Capital\ Employed\ (ROCE) = \frac{Profit\ Before\ Interest}{Capital\ Employed} \times 100$$

$$Return\ on\ Equity = \frac{Profit\ After\ Preference\ Dividends}{Ordinary\ Shares + Reserves} \times 100$$

$$Return\ on\ Total\ Assets = \frac{Profit\ Before\ Interest}{Non\text{-}current\ Assets + Current\ Assets} \times 100$$

$$Operating\ Expenses\ to\ Revenue\ ratio = \frac{Operating\ Expenses}{Net\ Sales\ (Revenue)} \times 100$$

$$Non\text{-}current\ Asset\ Turnover = \frac{Net\ Sales\ (Revenue)}{Total\ Net\ Book\ Value\ of\ Non\text{-}current\ Assets}$$

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Liquidity Ratios

$$Current\ ratio = \frac{Current\ Assets}{Current\ Liabilities}$$

$$Acid\ Test\ (or\ Quick)\ ratio = \frac{Current\ Assets - Inventory}{Current\ Liabilities}$$

Efficiency Ratios

$$Trade\ Receivables\ Turnover = \frac{Trade\ Receivables}{Credit\ Sales} \times 365\ days$$

$$(also\ known\ as\ Average\ Collection\ Period)$$

$$Trade\ Payables\ Turnover = \frac{Trade\ Payables}{Credit\ Purchases} \times 365\ days$$

$$(also\ known\ as\ Average\ Payment\ Period)$$

$$Inventory\ Turnover = \frac{Average\ Inventory*}{Cost\ of\ Goods\ Sold} \times 365\ days$$

$$*Average\ Inventory = (Opening\ Inventory + Closing\ Inventory)/2$$

OR

$$Rate\ of\ Inventory\ Turnover\ (times\ per\ year) = \frac{Cost\ of\ Goods\ Sold}{Average\ Inventory}$$

$$Working\ Capital\ Cycle = Trade\ Receivables\ Turnover + Inventory\ Turnover - Trade\ Payables\ Turnover$$

$$Working\ Asset\ Turnover = \frac{Net\ Working\ Assets*}{Net\ Sales\ (Revenue)} \times 100$$

$$*Net\ Working\ Assets = Inventories + Trade\ Receivables - Trade\ Payables$$

Capital Structure Ratios

$$Interest\ Cover\ (times) = \frac{Profit\ before\ Interest}{Finance\ Costs\ (Interest\ Payable)}$$

$$Gearing\ ratio = \frac{Fixed\ Cost\ Capital}{Total\ Capital} \times 100$$

$$OR = \frac{Non\text{-}current\ Liabilities + Preference\ Share\ Capital}{Issued\ Ordinary\ Share\ Capital + all\ Reserves + Non\text{-}current\ Liabilities + Preference\ Shares} \times 100$$

Investment Ratios

$$Earnings\ per\ Share = \frac{Profit\ after\ Tax - Preference\ Dividend}{No\ of\ Issued\ Ordinary\ Shares}$$

$$Price\ Earnings\ ratio = \frac{Market\ Price\ per\ Share}{Earnings\ per\ Share}$$

$$Dividend\ Yield = \frac{Ordinary\ Dividend}{Market\ Price\ per\ Ordinary\ Share} \times 100$$

$$Dividend\ Cover = \frac{Profit\ for\ the\ Year - Preference\ Dividend}{Ordinary\ Dividend}$$

$$Dividend\ per\ Share = \frac{Ordinary\ Dividend}{No\ of\ Issued\ Ordinary\ Shares}$$