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**Specific Assessment Strategy Appendix for Accounting**

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| **Qualification Title(s)** | **Diploma in Accounting at SCQF level 6 Diploma in Accounting at SCQF level 8** |
| **Developed by** | **Skills Development Scotland (SDS)** |
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**(For use with the Overarching Assessment Strategy for Competence-based Qualifications)**

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# Introduction

#### The purpose of an assessment strategy is to provide awarding bodies with a consistent approach to assessment that complies with SQA Accreditation’s regulatory requirements.

#### The key areas this assessment strategy will cover are:

#### assessment requirements

#### the extent to which simulation may be used

#### the assessment environment, including what constitutes a realistic working environment when assessing competence

#### the roles and requirements of assessors and quality assurers

#### external quality assurance requirements for awarding bodies

Awarding bodies must use the assessment strategy as the basis for developing and defining the evidence requirements and assessment methods their providers will use. This includes specifying how the qualification will be internally and externally quality assured.

This strategy should only be used for the assessment of the Diploma in Accounting at SCQF level 6, and the Diploma in Accounting at SCQF level 8.

# 1. Purpose and use

This specific Assessment Strategy Appendix for the Diploma in Accounting at SCQF level 6 and the Diploma in Accounting at SCQF level 8 sets out the assessment and quality assurance requirements that are specific to these qualifications. This assessment strategy appendix must be used alongside the Overarching Assessment Strategy for Competence-based Qualifications.

The Diploma in Accounting at SCQF level 6 is designed to develop, acknowledge and certify the skills and competencies of entry-level accountants seeking to advance in their careers. For those with prior experience in finance or accounting, the Diploma in Accounting at SCQF Level 8 offers a rigorous curriculum designed to validate and certify their expertise and support their professional development and career progression. All competence-based qualifications require that the learner is in a relevant role and that workplace learning is aligned to and assessed against the performance requirements, knowledge and understanding requirements, and the Meta-skills set out.

This outlines specific requirements for how assessment must be approached or undertaken.

* Evidence of occupational competence for all Diploma in Accounting units at SCQF level 6 and SCQF level 8 must be generated and collected through naturally occurring performance in a real work environment.
* Performance evidence must be produced for all performance requirements in all units.
* Assessment of all performance requirements and knowledge and understanding requirements should, wherever possible, be carried out during performance across all units to ensure integration of theory and practice.

This specific assessment strategy has been agreed with relevant awarding bodies and other relevant stakeholders as part of the qualification design process.

# 2. Generic requirements

## 2.1 Assessment requirements

**External quality assurance of assessment**

The requirements for the external quality assurance of assessment are set out in section 2.1 of the Overarching Assessment Strategy for Competence-based Qualifications.

As part of the Accounting apprenticeships offered at SCQF level 6 and SCQF level 8, apprentices are required to complete a professional qualification that evaluates the knowledge and understanding essential to their role, aligned with the specific level of their apprenticeship.

**Workplace assessment**

This outlines the guidance for assessing performance in the workplace. To be used in addition to the Overarching Assessment Strategy for Competence-based Qualifications. For these specific qualifications, the following applies:

* The Accounting qualifications should normally be delivered and assessed in the workplace. This is the environment in which learners will routinely be engaged in providing a variety of tasks and services through the application of knowledge, skills and behaviours in accounting roles. These qualifications are designed to recognise competence in the application of knowledge, skills and behaviours in different organisational contexts. This requires that learners are in a relevant role and that work-based learning is aligned to, and assessed against, qualification unit performance requirements and knowledge and understanding requirements. This is the primary environment in which learners develop and evidence the performance, knowledge and understanding requirements and Meta-skills set out in these qualifications.
* The Overarching Assessment Strategy identifies sources of evidence of learner competence. In addition, for the assessment of these qualifications, suitable types of evidence sourcing have been identified. These are listed in section 4 of this assessment strategy.

In exceptional circumstances elements of assessment can be carried out through simulation in a Realistic Working Environment (RWE), see section 2.4.

## 2.2 Requirements for roles in assessment

The requirements of assessors, internal verifiers and external verifiers are set out in section 2.2 of the Overarching Assessment Strategy for Competence-based Qualifications. There are no further requirements specific to these qualifications.

## 2.3 Holistic assessment

Holistic approaches to assessment are encouraged to provide an integrated rather than fragmented approach to assessment as well as to reduce duplication and the overall assessment burden on the learner and assessor. A single assessment can be used to evidence several performance and knowledge requirements rather than the process of finding separate evidence for each performance requirement or assessment criteria.

It must be ensured that combining assessments does not make the assessment task more difficult for the learner by creating higher levels of demand than would be required. The activities of a combined assessment should be included in an assessment plan and cross-referenced back to the criteria. This will help to ensure that all criteria of all the units have been achieved.

## 2.4 Simulation guidance

Simulation guidance is set out in section 2.1.3 of the Overarching Assessment Strategy. When simulation is permitted, it must be conducted in a Realistic Working Environment (RWE) under conditions that replicate the actual workplace. Assessors must ensure that the competence demonstrated in simulations is fully transferable to the workplace.

*Permitted Use of Simulation:* Simulation in RWE is allowed only when naturally occurring evidence from the workplace cannot be obtained for specific performance requirements of certain units. This approach requires a clear rationale explaining why naturally occurring workplace evidence is not feasible.

*Scope of Simulation:* Simulation can only be used to fill small gaps where naturally occurring performance evidence is not possible, but where the unit remains part of the candidate’s regular work duties. The decision to use simulation as supporting evidence must be agreed upon by both the assessor and the candidate during the assessment planning stage.

*Conditions for Simulation:* Simulation must be carried out in an RWE and restricted to a small part of any unit assessment. The majority of assessments are expected to be based on performance evidence, such as direct observation, work outputs, and witness testimony within the workplace or an RWE approved by an awarding body, which replicates a real work setting.

**Exceptional Circumstances for Simulation**

Simulation can be used only in exceptional circumstances within specified units, such as where:

* Accounting activities could be at risk from data errors: When accounting activities are based on live data environments, and mistakes could pose unacceptable risks to the organisation and/or its customers (e.g., in accounting environments requiring the use of industry-standard software to manipulate client data).
* There are privacy or confidentiality concerns: When the collection and/or review of workplace performance evidence would unacceptably intrude on personal privacy or confidentiality (e.g., using data from sole trader clients).
* Required techniques/practices are unavailable: When techniques and/or work practices required are not relevant to the apprentice's role or are unavailable in all workplaces (e.g., performing specific accounting processes or communicating financial information).

**Note:** When realistic work environment conditions are applied, they must replicate actual working conditions, such as timescales and customer requirements. Simulation is not permissible for entire units.

**The following tables indicate the units and performance requirements where simulation is permitted:**

**Diploma in Accounting at SCQF level 6**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Developer Code** | | **Unit Title** | **Mandatory/optional /additional** | **Permissible for simulation and rationale** |
| **Mandatory units** | | | | |
| SDS0487 | | Applying Principles of Accounting | Mandatory | Not permissible for simulation |
| SDS0488 | | Applying Principles of Management Accounting | Mandatory | Not permissible for simulation |
| SDS0490 | | Handling Financial Transactions | Mandatory | Performance requirement 7 may be difficult to perform using live data in a live production environment.  PR7. Using industry-standard bookkeeping software to record, update and examine financial transactions in line with organisational procedures  Only where opportunities for gathering naturally occurring evidence in the workplace have been explored should simulation be considered to provide a realistic and safe environment for recording and updating financial transactions using live data. |
| **Optional units** | | | | |
| SDS0489 | Carrying out VAT Administration | | Optional | Performance requirement 6 may be problematic in a live production environment.  PR6. Drafting and presenting VAT information to clients and approved internal stakeholders for approval  Only where opportunities for gathering naturally occurring evidence in the workplace have been explored should simulation be considered to provide a realistic and safe environment for drafting and presenting client information |
| SDS0491 | Producing financial information and forecasts | | Optional | Not permissible for simulation |
| SDS0492 | Providing personal tax administration | | Optional | Performance requirement 6 may be difficult to perform using live client data.  PR6. Calculating individuals income tax payable in line with HMRC requirements  Only where opportunities for gathering naturally occurring evidence in the workplace have been explored should simulation be considered to provide a realistic and safe environment for utilising an individuals data. |

*Table 1 – Guidance on the use of simulation for Diploma in Accounting for SCQF level 6 units*

**Diploma in Accounting at SCQF level 8**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Developer Code** | | **Unit Title** | **Mandatory/optional /additional** | **Permissible for simulation and rationale** |
| **Mandatory units** | | | | |
| SDS0493 | | Providing management accounting services | Mandatory | Performance requirements 1-4 may be difficult to perform using live data in a live environment depending on the nature of operations of the employer organisation.  PR1 Calculating relevant operational costs including materials, labour, and overheads in line with organisational procedures  PR2 Calculating target costs of products and services required to generate specified levels of profitability  PR3 Preparing break-even analyses based on selling price, costs and volume in line with organisational procedures  PR3 Applying activity-based costing to provide accurate operational costs and inform organisational cost reduction analysis  Only where opportunities for gathering naturally occurring evidence in the workplace have been explored should simulation be considered to provide a realistic and safe environment for determining operational, target and breakeven costs including labour, materials and overheads, using realistic data. |
| SDS0494 | | Performing financial accounting | Mandatory | Performance requirement 5 may be difficult to perform using live data in a live production environment.  PR5 Preparing accounting and cash flow statements using industry financial software  Only where opportunities for gathering naturally occurring evidence in the workplace have been explored should simulation be considered to provide a realistic and safe environment for using industry standard software to prepare the required statements. |
| **Optional units** | | | | |
| SDS0495 | Preparing financial statements | | Optional | Performance requirement 9 may be problematic in a live production environment.  PR9 Manage financial data and prepare financial statements using industry financial software  Only where opportunities for gathering naturally occurring evidence in the workplace have been explored should simulation be considered to provide a realistic and safe environment for managing and presenting financial information and statements. |
| SDS0496 | Providing business taxation services | | Optional | Performance requirements 1-5 may be difficult to perform using live client data depending on the nature of operations of the employer organisation.  PR1 Calculating taxable trading profit for sole traders in line with organisational procedures  PR2 Calculating tax on profits for sole traders in line with regulations  PR3 Calculating taxable trading profit for limited companies in line with regulations  PR4 Calculating corporation tax payable for limited companies in line with corporation tax legislation  PR5 Determining national insurance contributions payable for sole traders in line with regulations  Only where opportunities for gathering naturally occurring evidence in the workplace have been explored should simulation be considered to provide realistic sole trader or limited company data if that was not available to the apprentice. |

*Table 2 – Guidance on the use of simulation for Diploma in Accounting for SCQF level 8 units*

# 3. Meta-Skills

## 3.1 Guidance on Meta-skills

A key aspect of these qualifications is that learners develop the range of Meta-skills as identified in the Overarching Assessment Strategy (section 3).

## 3.2 Meta-skills Units

The meta-skills units are integrated with the other units of these qualifications rather than being viewed as a standalone units. The associated performance requirements and knowledge and understanding requirements are generated through the other units and assessed through the performance management process.

Furthermore, assessment of the meta skills should focus on the nature and quality of the self-reflective practices and self-evaluation activities being undertaken, rather than the achievement of specific meta-skills. However, supporting evidence that exemplifies the meta-skills development referred to in the self-reflective and self-evaluation practices should be provided.

Section 3 of the Overarching Assessment Strategy provides guidance on the assessment of meta-skills to be used in conjunction with this assessment strategy appendix. The tools and approaches referred to in the Overarching Assessment Strategy are for guidance, therefore flexible approaches may be used to ensure assessment is relevant to individuals working in different organisations. Further information on Meta-skills, including how meta-skills align to the units in this qualification can be requested from Skills Development Scotland at [apprenticeshipdevelopment@sds.co.uk](mailto:apprenticeshipdevelopment@sds.co.uk).

# 4. Methods of assessment

Learners are expected to demonstrate to the assessor that they have met the performance requirements and knowledge and understanding requirements of these qualifications and are competent in an accountancy role. Learners will provide evidence of their competence in the workplace or RWE, and this will be assessed by qualified and experienced staff within an awarding body approved centre.

A range of assessment methods have been identified during the design of these qualifications. Learners are expected to provide evidence of meeting all the knowledge and understanding and performance requirements required to demonstrate that they are competent in their role. It is important for learners to recognise how they have developed skills and understanding along the way, and where their skills still need to be developed. The primary source of evidence for these qualifications is observation and other assessment methods may be used to supplement this activity. The following methods have been identified as particularly suitable for these qualifications:

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| --- | --- |
| **Assessment methods** | **Examples and qualification units** |
| Observation | Direct observation of the learner meeting the performance requirements in the workplace or RWE. |
| Questioning | This can be used to support evidence of knowledge and understanding for all units within these qualifications.  Verbal questioning is useful to confirm knowledge and understanding where it is not apparent from performance, draw out knowledge and understanding during an observation, address gaps in knowledge and understanding, and to authenticate evidence by asking learners to explain part of the evidence and/or describe the process of producing it.  If carried out remotely using online methods in the form of a test or exam, then consideration should be given to the use of a remote invigilator for validation purposes. The Awarding Body should have guidance available for centres on remote assessment and invigilation. Questions could be online or paper based. |
| Personal statements and reflective accounts | These can be used as evidence of performance and knowledge for all units in these qualifications. Evidence of a learner’s activities and progress e.g. in the form of a log or diary, or online blog or vlog created and kept up to date by the learner, can be of value and used to support other evidence. |
| Presentations | These are suitable for assessing the performance of some units in the qualification particularly where communication skills will be assessed at the same time. |
| Product evidence | Can be used for assessing performance where an end product is produced which can be assessed. |
| Professional discussion | Can be used to support evidence of knowledge and understanding requirements for all units in these qualifications. As a planned 2-way discussion between the assessor and learner, this is particularly useful for assessing more complex knowledge and filling in gaps and for situations that are more nuanced. |
| Witness testimonies | Can be used for all units in these qualifications to validate performance evidence provided by learner.  Witness testimonies can include those carried out by line managers, experts, peers and customers.  See section 2.1 of Overarching Assessment Strategy regarding expert witness. |
| Evidence of prior achievement | Previous course/qualification assessment and certification should be made available. |

It is recommended that learners undertaking these qualifications develop a portfolio of work to evidence their competence. The portfolio may contain a variety of different types of evidence collected over time. This approach will allow learners to collect evidence of achievement that is most appropriate to their job role and organisation as well as the qualification being undertaken. Learners may generate evidence towards a unit without undertaking a formal assessment task. Such naturally-occurring evidence may arise from their day–to-day learning and is perfectly acceptable but it must be clearly identified and recorded so that it also may go through the internal verification process.