

## Component Specification

### Finance

#### NFQ Level 6

#### 6N4165

#### 1. Component Details

<b>Title</b>	Finance
<b>Teideal as Gaeilge</b>	Maoinigh
<b>Award Class</b>	Minor
<b>Code</b>	6N4165
<b>Level</b>	6
<b>Credit Value</b>	15
<b>Purpose</b>	The purpose of this award is to equip the learner with the knowledge, skill and competence in the principles and practice of financial planning, reporting and analysis within an organisation.
<b>Learning Outcomes</b>	<p>Learners will be able to:</p> <ol style="list-style-type: none"><li>1 Investigate the external environment and regulatory framework with regard to financial reporting within which organisations operate and the types of financial statements organisations are required to produce</li><li>2 Analyse financial statements in the context of non-financial to include a rationale for conclusions drawn</li><li>3 Evaluate a range of financial statements using ratio analysis drawing appropriate conclusions</li><li>4 Evaluate the role and value of budgeting to include the different types of budgets appropriate for use within different contexts</li></ol>

- 5 Interpret budgeting data and cash flow projections to establish a rationale for planning and decision making purposes
- 6 Utilise marginal and absorption costing statements to include an analysis of their application in making key management decisions, and a schedule of the differences between both methods
- 7 Demonstrate an in-depth knowledge of cost classification to include the differences between the different cost behaviors as they react to changes in activity levels
- 8 Price products and services to include an analysis of margin and mark up and the importance of the time value of money
- 9 Apply Cost Volume Profit analysis to include the calculation, illustration and interpretation of the break-even point, margin of safety, and contribution per unit for an organisation
- 10 Assess different methods of investment appraisal to include a determination of whether or not investments should proceed
- 11 Calculate the Net Present Value (NPV) and Internal Rate of Return (IRR)s
- 12 Assess the difference between cash flow and profit and the relevance of cash flow to capital investment appraisal
- 13 Schedule the uses and sources of short term, medium term and long term funding with reference to financial credit facilities, Return on Investment (ROI), and legal requirements.

## **Assessment**

### **General Information**

Details of FET assessment requirements are set out in [Assessment Guidelines for Providers](#).

All FET assessment is criterion referenced. Successful achievement of the award is based on learners attaining the required standards of knowledge, skill or competence.

The techniques set out below are considered the optimum approach to assessment for this component. In exceptional circumstances providers may identify alternative assessment techniques through the provider's application for programme

validation which are **reliable** and **valid** but which are more appropriate to their context.

Assessment of a number of components may be integrated across programmes for delivery, provided that the learning outcomes of each minor award are assessed.

Group or team work may form part of the assessment, provided each learner's achievement is separately assessed.

All providers are required to submit an assessment plan as part of their application for programme validation. Assessment Plans will include information relating to scheduling and integration of assessment. See current FET validation guidelines at [www.qqi.ie](http://www.qqi.ie).

## Assessment Techniques

In order to demonstrate that they have reached the standards of knowledge, skill and competence identified in all the learning outcomes, learners are required to complete the assessment(s) below.

The assessor is responsible for devising assessment instruments (e.g. project and assignment briefs, examination papers), assessment criteria and mark sheets, consistent with the techniques identified below and FETAC's assessment requirements.

Programme validation will require providers to map each learning outcome to its associated assessment technique. See current FET validation guidelines at [www.qqi.ie](http://www.qqi.ie).

All learning outcomes **must** be assessed and achieved

Examination - Theory	60%
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Assignment	40%
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## Description

### Examination - Theory

*An examination provides a means of assessing a learner's ability to recall and apply knowledge, skills and understanding within a set period of time and under clearly specified conditions.*

*A theory-based examination assesses the ability to recall, apply and understand specific theory and knowledge.*

### Assignment

*An assignment is an exercise carried out in response to a brief with specific guidelines as to what should be included. An assignment is usually of short duration and may be carried out over a specified period of time.*

<b>Recognition of Prior Learning (RPL)</b>	Learners may be assessed on the basis of their prior knowledge and experience. Providers must be specifically quality assured to assess learners by this means. To do so they must complete B10, see Provider's Quality Assurance Guidelines and be included on the Register of RPL approved providers. See RPL Guidelines at <a href="http://www.fetac.ie">www.fetac.ie</a> for further information and registration details.	
<b>Grading</b>	Pass	50% - 64%
	Merit	65% - 79%
	Distinction	80% - 100%
<b>Specific Validation Requirements</b>	There are no specific validation requirements	
<b>Supporting Documentation</b>	None	
<b>Access</b>	To access programmes leading to this award the learner should have reached the standards of knowledge, skill and competence associated with the preceding level of the National Framework of Qualifications. This may have been achieved through a formal qualification or through relevant life and work experience.	
<b>Transfer</b>	Successful completion of this component award enables the learner to transfer to programmes leading to other certificates where this component is a mandatory or an elective requirement.	

## 2. FET Award Standards

QQI award standards are determined within the National Framework of Qualifications (NFQ), <http://www.nfq-qqi.com>. QQI determines standards for the education and training awards that it makes itself and that are made by providers to whom it has delegated authority to make an award. Providers offering programmes leading to QQI awards **must** have their programme(s) validated in accordance with current validation policy (see [www.qqi.ie](http://www.qqi.ie)).

Award standards are designed to be consistent with the NFQ's award classes i.e. major, special purpose, supplemental and minor awards. They are expressed in terms of **learning outcomes** i.e. concise statements of what the learner is expected to know or be able to do in order to achieve a particular award. Learning outcomes for FET awards are contained within the associated specifications:

AWARD CLASS	STANDARDS	AWARDS
Major Award	Certificate Specification	Certificate (Levels 1 to 5) Advanced Certificate (Level 6)
Supplemental Award	Supplemental Specification	Supplemental Certificate (Level 3 to 6)
Special Purpose	Specific Purpose Specification	Specific Purpose Certificate (Levels 3 to 6)
Minor Award	Component Specification	Component Certificate (Levels 1 to 6)

Award standards are thresholds, they describe standards of knowledge, skill or competence to be acquired, and where appropriate, demonstrated, by a learner before an award may be made.

Award standards will be reviewed from time to time as necessary. Minor changes may be made by the QQI executive outside the review cycle where necessary. Changes to standards are published on QQI's website. Providers with validated programmes and providers with delegated authority to make awards are responsible for monitoring relevant standards and making necessary responses to changes.

### 3. FET Credit

Every FET certificate and component specification includes an FET credit value (Table 1). FET credit is quantified in multiples of 5 FET credits (up to 50 hours of learner effort). Learner effort is based on the time taken by typical learners at the level of the award to achieve the learning outcomes for the award. It includes all learning time involved including: guided learning hours, self-directed learning and assessment.

**Table 1: FET Credit Values**

NFQ Level	Major Awards Credit Values	Default Credit Values Minor Awards	Other Permitted Minor Award Credit Values	Special Purpose and Supplemental Award Credit Value Ranges
1	20	5	10	
2	30	5	10	
3	60	10	5,20	>5 and <60
4	90	10	5,15,20	>5 and <90
5	120	15	5,10,30	>5 and <120
6	120	15	5,10,30	>5 and <120

### Guide to Level

Learning outcomes at this level include a comprehensive range of skills which may be vocationally-specific and/or of a general supervisory nature, and require detailed theoretical understanding. The outcomes also provide for a particular focus on learning skills. The outcomes relate to working in a generally autonomous way to assume design and/or management and/or administrative responsibilities. Occupations at this level would include higher craft, junior technician and supervisor.

<b>Strand</b>	<b>Sub-strand</b>	<b>Nature of learning</b>
Knowledge	Breadth	Specialised knowledge of a broad area
	Kind	Some theoretical concepts and abstract thinking, with significant underpinning theory
Know How & Skill	Range	Demonstrate a comprehensive range of specialised skills and tools
	Selectivity	Formulate responses to well defined abstract problems
Competence	Context	Act in a range of varied and specific contexts involving creative and non-routine activities; transfer and apply theoretical concepts and/or technical or creative skills to a range of contexts
	Role	Exercise substantial personal autonomy and often take responsibility for the work of others and/or for the allocation of resources; form and function within, multiple and complex heterogeneous groups.
	Learning to Learn	Learn to evaluate own learning and identify needs within a structured learning environment; assist others in identifying learning needs
	Insight	Express an internalised, personal world view, reflecting engagement with others.

*Extract from 'Determinations for the Outline National Framework of Qualifications': NQAI*