

## A Foundation Apprenticeship in Accountancy at SCQF level 6

**GR6D 46**



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This document provides you with information you will require to deliver a Foundation Apprenticeship in Accountancy.

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<b>Version Number</b>	<b>Revision(s)</b>	<b>Approved by</b>	<b>Date</b>
1.0	New Framework Specification post FA developments	Frank Quinn	<b>October 2020</b>
1.1	Removal of GN7T 46 FA group award	Deborah Miller	<b>September 2021</b>
1.2	Updating of AAT units	AAG	<b>June 2022</b>
1.3	Updating of ACCA Units	AAG	<b>November 2022</b>
1.4	SQA Ghost Code for ACCA Units	Deborah Miller	<b>September 2023</b>
1.5	SQA Ghost Code and update of ACCA Units	AAG (Deborah Miller)	<b>August 2024</b>

## Background

One of the key recommendations of Sir Ian Wood's review on developing the young workforce was to "develop better connectivity and co-operation between education and the world of work to ensure young people at all levels of education understand the expectations of employers, and that employers are properly engaged" (Scottish Government response to "Developing the Young Workforce; 2015). The Scottish Government set ambitious targets to ensure this connectivity is delivered through a partnership of schools, colleges/training providers and employers.

Skills Development Scotland (SDS), alongside other partners, is working with industry to increase the range of work-based learning opportunities for pupils in the senior phase of secondary schools. One of the ways this is being achieved is through the development of Foundation Apprenticeships and SDS is leading this initiative. Foundation Apprenticeships will allow pupils to gain vocational qualifications that combine sector specific skills alongside the knowledge that underpins these skills in a workplace setting while still at school.

The Foundation Apprenticeship in Accountancy will give students in S5 and S6 the opportunity to develop the skills and knowledge to enter a career in accountancy. It also contributes directly to achievement of the Modern Apprenticeship in Accountancy (AAT or ACCA) by attainment of core units within the MA qualification and will contribute towards professional qualifications through both awarding bodies.

## The Accountancy Sector in Scotland

The Financial Services sector in Scotland is the most significant sectoral contributor to Scotland's economy, with estimates suggesting that the sector contributes £13 billion (equivalent to 9.4% of GVA).<sup>1</sup> The UK's financial services sector employs over 1.1 million people.<sup>2</sup> Within the financial services sector, there are 42,535 accountancy firms in the UK.<sup>3</sup>

The bulk of the workforce in accountancy firms and finance functions is made up of senior professionals, including qualified accountants, members of the UK's highly established and respected professional accountancy bodies. Almost all the rest of the workforce is made up of administrative roles such as book-keepers, accounts and payroll clerks, who form the backbone of the finance function.

Accountancy and finance is a diverse sector. Providers of accountancy services are mostly outward-looking businesses emphasising the role of income generators, while the finance function, which accounts for just over three quarters of the sector's workforce, generally operates as a cost centre, with the administrative functions of financial and business services industries, retail and the public sector dominating employment.

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<sup>1</sup> Figures from [Scotland's Financial Services Strategy, May 2021](#)

<sup>2</sup> UK Government December 2021. [Financial Services: Contribution to the UK Economy](#)

<sup>3</sup> 42,535 based on [2021 ONS figures](#) for firms engaged in accounting, bookkeeping and auditing activities and tax consultancy.

In keeping with trends across industries, small and medium-sized businesses (SMEs) and small and medium-sized practices (SMPs) account for the majority of employment in the sector, with over 77 per cent of firms employing four or less employees.<sup>4</sup> Crucially, this includes many self-employed professionals.

In 2021, there were 40,900 people employed in the legal and accountancy sector, representing 1.6% of total employment in Scotland<sup>5</sup> 41,700 people employed in accountancy occupations in Scotland<sup>6</sup>. This included 12,700 employed as chartered or certified accountants and 29,000 employed as book-keepers, payroll managers or wages clerks.

Across job postings in 2021/22, top skills requested in the accountancy profession include competency in the following : <sup>7</sup>

- Accounting
- Budgeting
- Account reconciliation
- External auditing
- VAT returns

Demand for skills such as data analysis and data management are projected to grow globally in the accountancy profession over the next year.<sup>8</sup>

### Why choose Accountancy?

The Financial Reporting Council's (FRC) Key Facts and Trends in the Accountancy Profession<sup>9</sup> (2021) reports that membership of accountancy bodies continues to grow. There are over 160,000 students in the UK and ROI and over 580,000 worldwide and overall percentage of female members of accountancy bodies has increased from 35% in 2016 to 37% in 2020.

In Scotland, it is expected<sup>10</sup> that there will be a requirement for 13,700 people to fill job openings in business and finance occupations between 2021 and 2024. In the medium-term, between 2024 and 2031, there is expected to be a requirement for 28,000 people.

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<sup>4</sup> 77 per cent based on [2021 ONS figures](#) for firms engaged in accounting, bookkeeping and auditing activities and tax consultancy

<sup>5</sup> Using the SIC code 'Legal and accountancy services'

<sup>6</sup> Using SOC code 2421 (Chartered and certified accountants' and 4122 (Book-keepers, payroll managers and wages clerks) Oxford Economic Forecasts (October 2021)

<sup>7</sup> Based on Burning Glass Data from the last 12 months (June 2021-June 2022), pulled for the occupation of certified and chartered accountants.

<sup>8</sup> Based on Burning Glass skill projections

<sup>9</sup> <https://www.frc.org.uk/getattachment/e976ff38-3597-4779-b192-1be7da79d175/FRC-Key-Facts-Trends-2021.pdf>

<sup>10</sup> Oxford Economic Forecasts (October 2021)

## What is the Foundation Apprenticeship in Accountancy?

The Foundation Apprenticeship (FA) in Accountancy is for pupils in S5 and S6 and typically takes 2 years to complete. Increasingly the framework is also available over a shorter duration, typically a single academic year.

Irrespective of the delivery model, the Accountancy framework includes 3 core elements, namely:

1. National Progression Award in Accountancy
2. Work Based Challenge Unit
3. Professional Qualification units

The professional qualification element is available via two Awarding Organisations:

**AAT** (the Association of Accounting Technicians) is the UK's leading accounting technician qualification professional membership body offering practical, vocational qualifications which provide students with internationally recognised finance and accountancy skills that can open doors in any industry across the world.

AAT works with a variety of organisations and providers such as Sky, Campbell Dallas, The Baldwin Group, and learning providers who cover from the Borders up to Orkney Islands to develop skilled finance professionals who are ready for the workplace.

Over recent years AAT has supported the development of the new apprenticeship standards, further deepening its involvement in the vocational training of the accountants of the future.

AAT has over 140,000 members across 90 countries and provide accounting qualifications for around 80,000 people every year. Open to everyone, whether they're looking for their first job in accountancy, want to enhance their existing accounting skills or train for a new career our flexible qualifications can be studied at a pace that fits in with any lifestyle.

**ACCA** (the Association of Chartered Certified Accountants) is the global body for professional accountants, offering business-relevant, first choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management. ACCA has a global network of more than 200,000 members and 486,000 students.

Our changing world needs high-quality, professional accountants more than ever. With ACCA Qualification – the future, ACCA introduces innovations that set the standard for others to follow. Through ACCA's SCQF accredited qualifications, ACCA is developing dynamic professional accountants who are strategic forward-thinkers, who thrive in a world of constant technological change and growing globalisation.

Completion of the Foundation in Apprenticeships offers progression to other AAT and ACCA professional qualifications. Please visit AAT and ACCA's websites for further information.

The Foundation Apprenticeship, whilst providing a learner with a holistic overview of the accountancy sector will cover the following specific areas:

1. **Recording financial accounting information (and bookkeeping)**- recording financial transactions from day books into a double entry bookkeeping system, to extract a trial balance and complete a VAT return.

2. **Preparing financial information-** preparation of routine and complex financial accounting information and understanding accounting standards and practices and regulations of business structures to establish both the historical and current financial position and performance of the organisation.
3. **Indirect tax-** specifically value added tax (VAT) and the skills in preparing and submitting returns to the relevant tax authority to keep employers and clients compliant with the laws and practices that apply to the indirect taxation of sales and purchases.
4. **Analysing accounting information-** financial analysis using a range of routine and complex techniques so that learners can investigate, analyse and report on an organisation's current financial position and performance, and to offer financial solutions that can assist in future planning and decision making.
5. **Management accounting-** internal accounting information using a range of routine and complex accounting techniques. This will assist in understanding the significant impact that management accounting information has on making decisions about the future planning, control and success of an organisation.
6. **Professional ethics for accountants-** the ethical responsibilities of an accountant working within the profession. It will allow learners an opportunity to analyse problems and form judgements about appropriate and inappropriate behaviour in an accounting environment.

## Background / rationale

This Foundation Apprenticeship supports the commitment to provide relevant work-based vocational education and training as part of the senior phase curriculum. This will prepare young people for direct entry into a career in the Accountancy sector by equipping them with the necessary skills and knowledge to work effectively from day one of employment. This includes both the development of practical and technical skills alongside the development of learner meta-skills, supported via project-based learning. It also highlights meaningful vocational pathways as challenging and valuable alternatives to existing academic subjects.

## Partnership

A Foundation Apprenticeship is about the right balance between delivering the taught elements of the programme (the NPA) and the development of work-based competences the meta-skills and work-based learning elements.

Development of true competence depends on the continuing acquisition and application of underpinning skills and knowledge. Young people need to build real workplace skills including both those that are specialist to the chosen career and the generic behaviours and attributes that apply to any workplace. This is achieved in a real work setting involving meaningful activities introduced throughout the programme.

Foundation Apprenticeships are delivered by partnerships comprised of school, learning provider and employer. The learning provider is responsible for the approvals, delivery, assessment and quality assurance of the component units and qualifications. Where multiple learning providers are involved, arrangements between them will be detailed in an SQA Partnership Agreement.

The learning provider must have the appropriate SQA centre and qualification approvals in place before it can deliver the Foundation Apprenticeship.

For further support and guidance on SQA's approval, quality assurance processes and SQA Partnership Agreements, please see:

<https://www.sqa.org.uk/sqa/79474.html>

Employers are an essential part of the partnership and can contribute in a range of ways, from creating a workplace challenge, to coaching and mentoring, to interviewing and selection. They may also be involved in the assessment of the work-based learning element.

## Pastoral Care

The young people embarking on this Foundation Apprenticeship are school pupils and therefore all those involved in delivering the programme have a duty of care. This includes providing appropriate health and safety training and measures to ensure the safety of the young people, including relevant safeguarding requirements that are required by respective Local Authority and School partners. This must be in the context of the specific workplaces of the individual pupils (one of the mandatory units of the FA covers health and safety).

In addition, a workplace mentor must be assigned to be a point of contact for the young person when they are not in the school environment.

Work placement allocation and methodology, whether on-site or through remote working, should take cognisance of the learner's personal circumstances to maximise the learner experience and opportunity.

## How should the Foundation Apprenticeship in Accountancy be delivered?

Often, delivery and assessment of the relevant NPA occurs at the start of the programme so that the underpinning knowledge can be obtained before contextualising within the work-based learning element.

The work-based challenge unit is designed to support the contextualisation of the National Progression Award, and therefore should be seen as a complementary unit to run concurrent with the NPA.

The work-based learning element is designed to offer the learning access to the workplace, either physically onsite or through remote working. Learning providers are required to identify host employer(s) to provide the work placement opportunity. Employer(s) are asked to provide real work activity aligned to the organisations objectives and to support the development of evidence for assessment against the outcomes

Involvement of industry is encouraged across the entire programme of learning. Learner success is best reflected when the delivery of the theory and practical elements are aligned. This approach maximises the contextualisation for the learner and offers the opportunity to put into practice underpinning learning.

### Work Based Challenge Unit/Meta-skills:

The WBCU set at SCQF L6 has been designed to support the delivery of the NPA. Providers are asked to engage with employer(s) to identify a suitable project that will complement the learning outcomes within the NPA units.

Incorporated within the WBCU is a meta-skills framework designed to emphasise the importance of meta-skills to industry in addition to technical and practical ability. Through the project associated with the WBCU, learners are required to understand meta-skills and consider which they are likely to develop through their role in the project. Reflective is central

to the development meta-skills throughout the project. Learners are asked to reflect on their meta-skills development and record this alongside their evidence base.

For further information on the WBCU and meta-skills, please refer to the link provided at the end of this document.

*Please refer to the Foundation Apprenticeship Product Specification for further information on the principles of Foundation Apprenticeship delivery.*

*Please refer to the Annex's at the end of this document for a detailed breakdown of the units and codes within the framework(s)*

- *Annex 1: FA Accountancy AAT Pathway and ACCA Pathway*

## **Certification**

SQA will issue the commemorative certificate for the Foundation Apprenticeship.

Learning providers must ensure that they have appropriate approvals in place with SQA for the Foundation Apprenticeship and all mandatory components. Candidates must be entered and resulted for all relevant units for verification and certification purposes.

Once all contributing results are entered on SQA systems, the candidate's commemorative certificate will be produced.

SQA Awarding Body quality assurance requirements apply to the delivery of the SQA component units and group awards. Centres are required to sign up to the relevant Assessment Strategy for the SVQ and comply with all its requirements.

## **Accountancy placements for the Foundation Apprenticeship**

In addition to a variety of workplace activities, placements for pupils undertaking a Foundation Apprenticeship in Accountancy provide the opportunity to undertake a vocational learning project which should relate to the learner's career aspirations and/or abilities and reflect the accountancy sector. The project will be agreed by the apprentice, employer and learning provider/school at the outset of the FA.

## **Learner Selection and Entry Requirements**

The Foundation Apprenticeship in Accountancy is aimed at pupils with an interest and enthusiasm in exploring this area of work. Although set at SCQF L6, due to the contextualised learning experience where underpinning theory and practice are aligned with industry, learners operating at SCQF L5 or above on arrival are encouraged.

## **Equalities**

We expect those involved in the development, recruitment and delivery of Foundation Apprenticeships to be pro-active in ensuring that no-one should be denied opportunities



because of their age, disability, gender reassignment, marriage and civil partnership, religion or belief, sex or sexual orientation or pregnancy and that any barriers (real or perceived) are addressed to support all pupils. These are the protected characteristics of the Equality Act 2010 and training providers and employers must comply with this Act to ensure that applicants are not discriminated against in terms of entry to and promotion within the industry.

Our emphasis throughout is upon equality and diversity both for new entrants to the sector and opportunities for progression for the existing workforce.

## Learner Progression

Foundation Apprenticeships are directly aligned to three primary progression pathways. These are:

- Modern Apprenticeship
- Further Education
- Higher Education

### Modern Apprenticeship:

A pupil completing the Foundation Apprenticeship in Accountancy will have achieved a large proportion of the requirements for a Modern Apprenticeship in Accountancy at SCQF Level 6.

The FA includes units from the MA (AAT or ACCA) as the professional qualification skills and competence element which would count as APL/RPL from the FA for these completed units. (This has been confirmed by AAT and ACCA the Awarding Organisations).

This would mean that the learner will not have to repeat those units and just undertake the remaining professional qualification units and other aspects of the MA framework.

Progression routes to a Modern Apprenticeship could include:

- MA in Accountancy SCQF Level 6
- MA in Accountancy SCQF Level 9

### Further Education:

All Scottish further education colleges recognise the Foundation Apprenticeship in Accountancy as an eligible qualification towards Higher National provision, alongside other qualifications.

### Higher Education:

Scottish universities recognise the Foundation Apprenticeship in Accountancy as an eligible qualification towards under-graduate degrees and graduate apprenticeship provision, alongside other qualifications.

## Recognition of Prior Learning

SQA's policy is to recognise prior learning as a method of assessing whether a learner's experience and achievements meet the evidence requirements (i.e. the standard) of a SQA Unit or Units and which may or may not have been developed through a course of learning.

More information can be found on the [SQA website](#).

**Annex 1:**  
**Foundation Apprenticeship Framework Specification:**  
**Accountancy at SCQF Level 6 (AAT or ACCA Pathway)**

<b>GR6D 46 Foundation Apprenticeship in Accountancy</b>			
<b>Group Award Title</b>	<b>Unit Title</b>	<b>SCQF Level</b>	<b>SCQF Credits</b>
<b>GN7J 46 National Progression Award (NPA) in Accountancy at SCQF level 6</b>	J21M 76 Preparing Management Accounting Information	6	6
	J21N 76 Analysing Accounting Information	6	6
	J21L 76 Preparing Financial Accounting Information	6	6
	J1K5 45 Recording Transactions in the Ledger	5	6
	HX6F 46 Professional Ethics for Accountants	6	6
<b>Work Based Unit</b>	J4YL 04 Work Based Challenge	6	6
<b>Select either AAT Route or ACCA Unit</b>			
<b>AAT Route Certificate in Accounting – SCQF Level 6 (core units)</b>	J6FW04 Introduction to Bookkeeping	6	8
	J6FX04 Principles of Bookkeeping	6	6
<b>OR</b>			
<b>ACCA Diploma in Financial and Management Accounting at SCQF Level 6</b>	J8G4 45 Recording Financial Transactions	5	27
<b>Foundation Apprenticeship Certification Unit</b>	HE6E 04 Foundation Apprenticeship Certification unit	-	0
<b>TOTAL SCQF CREDIT POINTS</b>			<b>AAT 50 Or ACCA 63</b>