

# Level 1/2/3 Award in Business Finance (8990)

## Frequently asked questions

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## Contents

<b>1</b>	<b>General Questions</b>	<b>2</b>
	Who is this qualification for?	2
	What level is this qualification available at?	2
	What are the Guided Learning Hours (GLH) for this qualification?	2
	What is the QCA reference number?	2
	What progression to other qualifications is available?	2
<b>2</b>	<b>Examination Queries</b>	<b>3</b>
	Can we order the new question papers before 1 <sup>st</sup> October?	3
	Will this qualification be funded?	3
	How many sample papers will be available?	3
	Tax should be 17.5% - why is it set at different percentages?	3
	Can calculator be used during the examination?	3
	What other equipment can be used during the examination?	3
	Can candidates make notes during reading time?	3
	How many errors are students permitted before their work is classed as a fail?	3
	What happens if the candidate needs to use additional sheets of paper?	3
	The calculations are business related in the qualification?	3
	How much technical knowledge of accounting do I need to study the three levels?	3
	Why is a pre-printed format used in the examination?	4
	How important is accuracy in drawing charts and graphs?	4
	City & Guilds is a UK organisation. Why are some figures in dollars?	4
	Some tasks, especially at Levels 2 and 3 ask for written work. What is expected?	4
	Sometimes I can see a numerical answer just by looking at the figures. Do I need to show workings in that case?	4
	Some answers rely on earlier parts of a task being correct. Will I gain any marks for later parts of a task if I get the first part of a task wrong?	4
	LIFO is not used in the UK. Why is it in the syllabus?	4

# 1 General Questions

## Who is this qualification for?

At **level 1** the qualification is designed for people seeking to obtain a qualification and a foundation on which to develop their skills. It will also provide learners with skills suitable for the completion of business tasks either within an office environment or as part of trade, craft and other types of business.

At **level 2** the qualification is designed for people with a basic qualification in numeracy seeking to focus skills on the provision of support information for supervisory level and first level management in a wide range of organisations. The syllabus is also suitable for those in first level management who wish to enhance their understanding of routine tasks of budgeting, costing, performance measurement and credit control, common to his level of authority and responsibility in organisations. This qualification may also be used as a basis for further education in accounting, management accounting and management.

At **level 3** the qualification is designed for people with an understanding of basic costing, budgeting and performance measurement who wish to develop their analytic abilities to assist and advise management in monitoring and control, decision making and problem solving. It is also suitable for first-line non-financial managers wishing to develop their understanding of business finance as well as those who wish to specialise in cost and management accounting or as a basis for higher level education in accounting, management accounting and management.

## What level is this qualification available at?

This qualification is available at levels 1, 2 and 3.

## What are the Guided Learning Hours (GLH) for this qualification?

Levels 1 and 2 are 30 GLH and level 3 is 60 GLH

## What is the QCA reference number?

Level 1	500/4376/6
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Level 2	500/4377/8
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Level 3	500/4306/7
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## What progression to other qualifications is available?

On completion of these qualifications candidates may progress into employment or to the following City & Guilds qualifications:

- City & Guilds Level 1-3 Award in Computerised Accounts
- City & Guilds Level 1-3 Award Book-keeping and Accounts
- City & Guilds Level 2 and 3 NVQ in Accounting
- Apprenticeship/Advanced Apprenticeship in Accounting

### **Can we order the new question papers before 1<sup>st</sup> October?**

You can order the new papers from the 1<sup>st</sup> September for examinations to be sat from the 1<sup>st</sup> October.

### **Will this qualification be funded?**

The qualification will be fundable. However, you will need to contact your LSC once we have received accreditation to find out if you can receive funding.

### **How many sample papers will be available?**

There will be one sample paper available on the website for each level plus an additional question paper and marking scheme available at each level in the Examination Support Guide. The guide will be available from the City & Guilds website.

### **Tax should be 17.5% - why is it set at different percentages?**

City and Guilds examinations are taken throughout the world, not just the UK. 17.5% is one of the three VAT rates used in the UK (the others being the reduced rate of 5% and zero-rated 0%). The key here is to teach the practice of calculating tax using a variety of tax rates, since tax rates can change and students need to be able to apply their knowledge.

### **Can calculator be used during the examination?**

Yes non-programmable calculators may be used during the exam.

### **What other equipment can be used during the examination?**

At Levels 1 and 2 you will need a protractor. A pencil and ruler will be needed at all levels.

### **Can candidates make notes during reading time?**

No note making is allowed during reading time. Candidates are recommended to use the five minutes to plan their time for answering the tasks.

### **How many errors are students permitted before their work is classed as a fail?**

The pass mark is 60%, a first class pass is 75% and above. Another way to look at errors is that students can afford to drop 40% of their marks and still pass.

### **What happens if the candidate needs to use additional sheets of paper?**

Additional sheets of paper may be used. Please ensure that the candidate writes his/ her name on each sheet and attaches to the question/ answer booklet.

### **The calculations are business related in the qualification?**

In the ANTO National Occupational Standards for Accounting to which the City and Guilds levels 1-3 have been mapped have a bias towards business transactions. Business scenarios test many numerical skills.

### **How much technical knowledge of accounting do I need to study the three levels?**

Level 1 is an introductory level which can be tackled without significant technical understanding. Some basic appreciation of costing, budgeting and financial language is needed at Level 2 and Level 3 is intended for those with a good appreciation of some management accounting techniques.

**Why is a pre-printed format used in the examination?**

At work, pre-printed forms are widely used and this reflects that situation.

**How important is accuracy in drawing charts and graphs?**

Charts, graphs, tables and other documents produced are designed to communicate information and should be neat, tidy and accurate. This would be expected in the workplace.

**City & Guilds is a UK organisation. Why are some figures in dollars?**

Those who take City & Guilds qualifications come from many countries around the world and different currencies and names are used to reflect the international audience.

**Some tasks, especially at Levels 2 and 3 ask for written work. What is expected?**

This depends on the type of question. If it follows a calculation then a comment on or explanation of the calculation may be needed. A restatement of the calculation will not gain any reward but comment on what it means, particularly in the context of any scenario is required.

**Sometimes I can see a numerical answer just by looking at the figures. Do I need to show workings in that case?**

Usually if the calculation carries one mark an answer will be sufficient. Where more than one mark is to be awarded, full workings should be shown to indicate the reasoning behind the answer.

**Some answers rely on earlier parts of a task being correct. Will I gain any marks for later parts of a task if I get the first part of a task wrong?**

Examiners use 'own figure' marks to ensure that early errors are not penalised later so long as the correct method is used.

**LIFO is not used in the UK. Why is it in the syllabus?**

Some countries in the world use LIFO so it is retained in the syllabus to reflect the international nature of the syllabus.