Pearson BTEC

Pearson BTEC Uzbekistan Level 5 Professional Diploma in

Accounting and Finance

Teacher Resources

Issue 2

Edexcel, BTEC and LCCI qualifications

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This document is Issue 2. It has been updated to include teaching resources for all the units in the qualification. The latest issue can be found on our website.

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Contents

Introduction

This resource booklet is a companion to the Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance specification. The specification tells you what must be taught and what must be assessed. This resource booklet gives you suggestions and ideas as to how you can do this.

This booklet gives you ideas for teaching and learning, including practical activities, realistic scenarios, ways of involving employers in delivery and of managing independent learning, and how to approach assessments. The booklet also shows you how the specification content might work in practice and inspires you to start thinking about different ways of delivering your qualification.

This resource booklet gives you:

- guidance on how to deliver the units in the qualification
- recommended resources to support the delivery of the units in the qualification
- schemes of work that show the topics, activities and assessments covered in all units across the qualification
- lesson plans with detailed guidance on how to deliver the lessons in the units
- assignment briefs to support the assessments of all the units in the qualification.

The information in this resource booklet has been put together by teachers who have been close to the development of the qualifications and so understand the challenges of finding new and engaging ways to deliver BTEC qualifications.

The delivery guidance in this booklet gives you information about what you need to consider as you plan the delivery of the qualification, including:

- the structure of your qualification
- how you can build the qualification for your learners
- suggestions for how you might make contact with appropriate employers
- information about other support and resources available.

We have given you unit-by-unit guidance. This includes suggestions on how to approach the learning aims and unit content, as well as ideas for interesting and varied activities. You will also find assignment briefs, as well as tips and ideas on how to plan for and deliver your assignments.

We have included a list of carefully selected resources for each unit. These resource lists offer suggestions for books, websites and videos that you can direct your learners to use and/or that you can use to complement delivery.

Unit 1: Recording Financial Transactions

Delivery guidance

This unit will provide the background knowledge and understanding to all of the other units in the course. It will require your learners to approach their studies as independent learners to extract relevant financial data and accurately record an organisation's financial transactions.

It is recommended that this unit is the introductory unit, on which all of the other units are based. Learners will then be able to understand how the other units link to the recording of financial transactions, enabling a business to measure its performance against its financial objectives and make informed decisions regarding short-term operational management decisions; as well as those decisions that are focused on its future strategic direction.

Figure 1 provides an overview of how you could approach the delivery of this unit and its links with the other units in the programme.

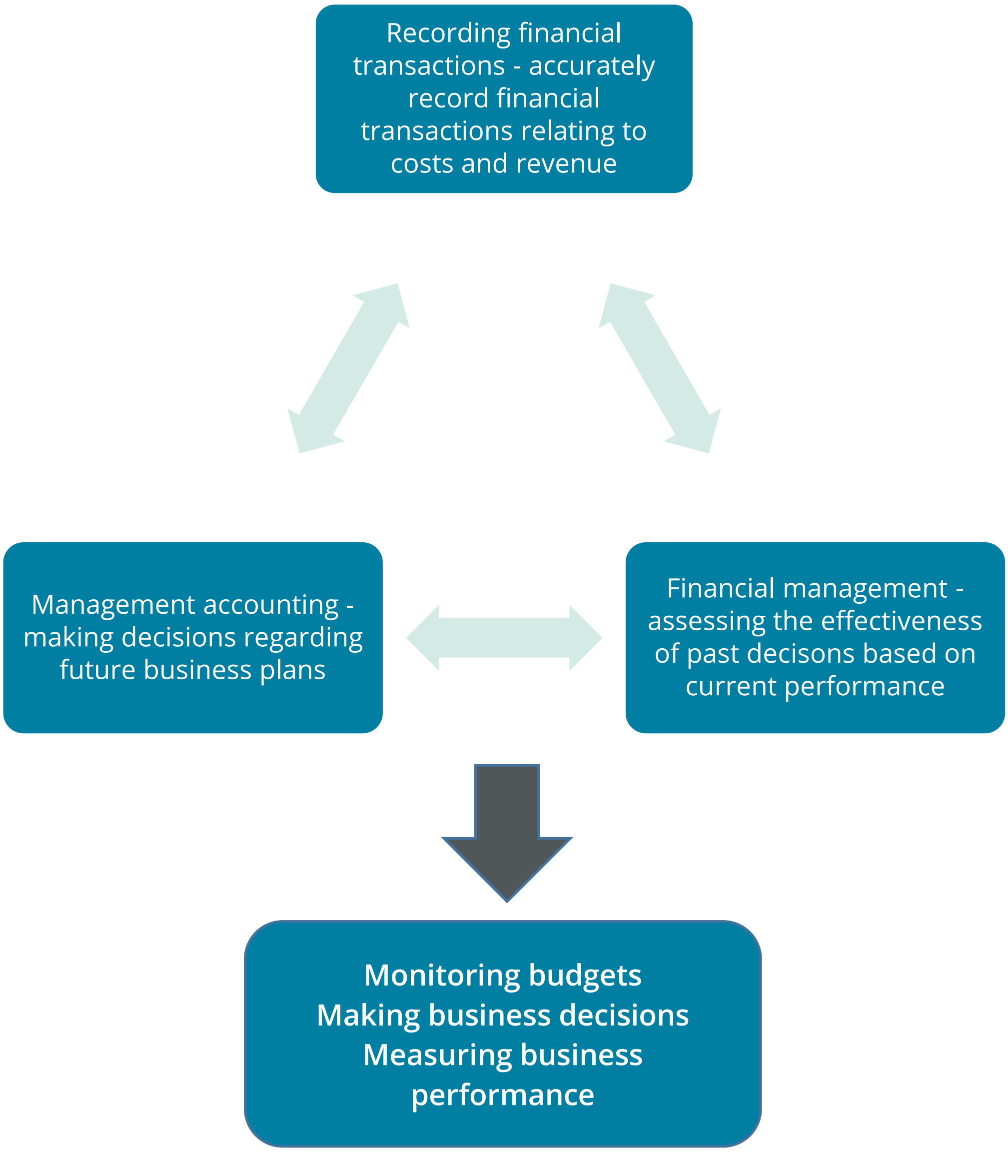

Figure 1 The relationship between the different aspects of accounting.

The following good practice points should be used in conjunction with the lesson plans and scheme of work that accompany this delivery guide.

- Recap the previous session at the start of each lesson. This will provide an opportunity to monitor learner progress and encourage questions.
- Develop each new topic from simple to complex, incorporating realistic examples.
- In order to engage learners, you should incorporate a variety of delivery methods that allow for different learning styles. For example, pair and group work. It is recommended that you have a maximum group size of three, as learners do not get enough chance to speak in larger groups.

- Change the pace of the lesson by breaking things up a bit, i.e. different activities, timed tasks and different materials.
- Let the learners make mistakes. They need to. We all learn best through making mistakes.
- It is a good idea to let learners check their answers with each other before feeding their findings back to you.
- Use practice exercises to develop learners' skills. These could be class based or set as a homework assignment.
- You should encourage learners to complete additional tasks – for example, exercises from suitable textbooks, real-life scenarios from business and financial pages in newspapers, or from websites, to help contextualise the content.
- At the end of each topic, you can incorporate a mini test into your teaching, to help consolidate learning.

The scheme of work for this unit is based on 20 separate teaching sessions of 3-hours each. You should adjust your teaching programme accordingly, based on the length of your lessons. However, regardless of the duration of the individual lesson, the sequencing in the scheme of work should be followed and adjusted according to the lesson duration.

Approaching the unit

Learners studying this unit are likely not to have studied this subject before, or may have studied the essential features of accounting some time ago. For this reason, it is best to assume no prior knowledge of the subject.

Those learners in a supervisory or management position, however, are likely be familiar with accounting terminology and may use financial management information within their job role. For example, if they have budget responsibilities in their job role, they will be familiar with organisational financial regulations, processes and procedures.

Similarly, those in management positions that involve strategic or operational management may use financial management information as part of the decision-making process.

It is, therefore, important that you ascertain learners' experience and knowledge of accounting when delivering this unit. The scheme of work that accompanies this delivery guide provides advice as to how this experience can be incorporated into the lessons.

Tests and exercises should be planned in such a way to build on learners' knowledge of accounting techniques, and become more complex as the course continues. Using this approach will mean that the accounting equation and the principles of double-entry accounting will be introduced first, followed by reconciliation; control accounts and suspense accounts will follow on naturally.

The overall aim is for learners to be able to prepare a set of final accounts for a sole trader, a partnership and a limited company. Learners will return to these final accounts in the other units that make up this short-course programme – notably Unit 3: Principles of Management Accounting, which covers financial reporting.

Assessment model

Learning aim	Key content areas	Recommended assessment approach
A Be able to record business transactions using double-entry bookkeeping	• Business transactions • Double-entry bookkeeping • Trial balance	Produce a range of financial documents for an organisation from a given set of financial data.
B Be able to prepare final accounts	• Financial reports and financial statements • Types of accounts • Principles and conventions	
C Be able to perform bank reconciliations to ensure that company and bank records are correct	• Bank reconciliation • The process of reconciliation • Differences	
D Be able to reconcile control accounts and shift recorded transactions from the suspense accounts to the right accounts	• Control accounts • Suspense accounts • Reconciling these accounts	

Assessment guidance

All learning aims.

This unit will be assessed by one assignment, which covers all four learning aims. Learners will be provided with a specific context that includes a detailed set of financial data from which they will be required to prepare a set of final accounts (including an income statement and balance sheet) for an organisation (either a sole trader, a partnership or a limited company). The process will involve making adjustments to previously recorded financial transactions (to create a general ledger and a trial balance) and completing bank reconciliations.

Getting started

This gives you a starting place for one way of delivering the unit.

Unit 1: Recording Financial Transactions
Introduction Key to the successful completion of this unit will be the learner's ability to extract and record relevant financial data from a given set of financial information. You should, therefore, plan to include numerous tests and exercises that will give the opportunity for your learners to practice recording financial transactions. It is suggested that you make them aware of the use and purpose of International Accounting Standards (IAS) terminology from the outset of the course. A glossary is included in the unit specification that you can give to learners. This will ensure that even if you are using terminology that is outside the International Financial Reporting Standards (IFRS) structure, your learners will be familiar the relationship between different accounting terminology
Learning aim A – Be able to record business transactions using double-entry bookkeeping and extract a trial balance

• An introduction to assets, liabilities and capital.
  o Explain how the accounting equation relates to the double-entry system.
  o Explain and demonstrate the dual effect principle, separate entity principle, accounting equation as well as the effects of transactions on the accounting equation.
  o Set tasks involving the classification of assets, liabilities and equity and numerical exercises involving the accounting equation:
    – assets = liabilities + capital (equity).
  o Transactions involving the movement of assets, liabilities and capital are recorded on the debit or credit side of ledgers ('t-accounts').
  o The construction of simple trial balances and how this proves the accounting equation.

Learning aim B – Be able to prepare final accounts
• Preparation of final accounts for different types of business organisation, taking into account adjustments and accounting conventions. Learners should be made familiar with the conventional layout of financial statements that clearly distinguish: o gross profit; expenses; net profit (profit for the year: retained profit, drawings, distributed profits, apportionment (partnership accounts).

Unit 1: Recording Financial Transactions

• Accounting adjustments:
  ○ accruals, prepayments, bad debts (irrecoverable debts) and depreciation.
• Final accounts (financial statements):
  ○ trading and profit or loss accounts (income statement, statement of comprehensive income).
  ○ the balance sheet (statement of financial position).

Learning aim C – Be able to perform bank reconciliations to ensure company and bank records are correct

• The need for bank reconciliation:
  ○ why the bank balance in the cash book will not always agree with that shown on the bank statement
  ○ bank reconciliation terminology
  ○ bank reconciliation problems
• The bank reconciliation process:
  ○ ticking off, updating the cash book and balancing-off.

Learning aim D – Be able to reconcile control accounts and shift recorded transactions from the suspense accounts to the right accounts

• Control and suspense accounts:
  ○ differentiate between the features of suspense and control accounts
  ○ the purpose of control accounts, and demonstration of the preparation of the trade payables and trade receivables ledger control accounts; and how they can be reconciled with the total of the subsidiary ledgers.

Details of links to other BTEC units and qualifications

Resources

This unit links to all other units in this short-course programme.

Textbooks

Atrill, P. and McLaney, E. *Accounting and Finance for Non-Specialists*, Pearson (2012), ISBN-13: 978-0273778035

Dyson, J. R. *Accounting for Non-Accounting Students*, Financial Times/Prentice Hall (2010), ISBN-13: 978-0273034391.

Glautier, M. et al, *Accounting Theory and Practice*, Financial Times/Prentice Hall (2010), ISBN-13: 978-027362444-8.

Loughran, M. *Financial Accounting for Dummies*, John Wiley & Sons, Inc. (2011), ISBN-13: 978-0470930656.

McLaney, E. and Atrill, P. *Accounting: An Introduction,* Pearson (2012), ISBN-13: 978-0273771944.

Journals

Journal of Accounting, Auditing & Finance

Journal of Business Finance & Accounting

International Journal of Managerial and Financial Accounting

Pearson is not responsible for the content of any external internet sites. It is essential for teachers to preview each website before using it in class so as to ensure that the URL is still accurate, relevant and appropriate. We suggest that teachers bookmark useful websites and consider enabling learners to access them through the school/college intranet.

Scheme of work

Unit title	Recording Financial Transactions
Guided learning hours	60
Number of lessons	20
Duration of lessons	3 hours
Links to other units	All units

Key to learning opportunities			
AW	Assignment Writing	**RS**	Revision Session
GS	Guest Speaker	**V**	Visit
IS	Independent Study	**WE**	Work Experience

#	Topic	Lesson type	Suggested activities	Classroom resources
1	Introduction to financial accounting	Teacher-led plus independent learning activities	**Lead-in:** introduce the unit content and assessment. Introduce the role of the accounting and regulatory framework. **Paired activity:** ‘getting to know you’, in which each learner shares their work experience to date and describes their current work role. **Teacher-led discussion:** to assess any prior experience/learning/knowledge. **Teacher-led presentation:** the basic functions of business in relation to the finance function.	Unit specification Whiteboard and pens Presentation notes Template for recording the key learning points outcomes drawn from the lesson

#	Topic	Lesson type	Suggested activities	Classroom resources
			Small-group activity: discuss and list the financial transactions that an organisation might undertake. Relate these financial transactions to the financial activities discussed previously. **Teacher-led presentation:** an introduction to assets, liabilities and capital. **Individual learner activity:** complete exercise on distinguishing between assets, liabilities and capital. Write up notes and commence the glossary of key terms. **Plenary session:** to confirm the main learning points identified in the lesson.	Assets, liabilities and capital
2	Recording of accounting transactions – double-entry bookkeeping	Teacher-led plus independent learning activities	**Lead-in:** the role of the accounting and regulatory framework. **Teacher-led presentation:** the principles of double entry book-keeping. How to record debit and credit entries. Explain the ledger and what the ledger account is. Issue the assignment. **Individual learner activity:** compare and contrast the features of manual and electronic accounting systems. Complete exercises for recording basic transactions in sales, purchases, cash payments and receipts.	Unit specification Whiteboard and pens Presentation notes Activity sheets for financial transactions Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
			Paired activity: find two examples of computerised accounting systems and consider the impact of the regulation of financial accounting on an organisation. **Teacher-led presentation:** introduce assets, liabilities and capital. How the accounting equation relates to the double-entry system. Explain and demonstrate the dual effect principle, separate entity principle and accounting equation, as well as the effects of transactions on the accounting equation. How to record debit and credit entries. The ledger, and what the ledger account is. **Individual learner activity:** complete exercises for recording basic transactions in sales, purchases, cash payments and receipts. Compare and contrast the features of manual and electronic accounting systems. **Plenary session:** confirm the main learning points.	

#	Topic	Lesson type	Suggested activities	Classroom resources
3	The trial balance (part 1)	Teacher-led plus independent learning activities	**Lead-in:** provide an overview of the previous lesson. **Teacher-led presentation:** the function and preparation of the trial balance; the flow of transactions, books of accounts, dual effect of transactions; demonstrate the recording of transactions on a trial balance. **Individual learner activity:** produce a trial balance from given data in ledger accounts, including recreation of the flow of transactions and completion of practice exercises to produce basic trial balance sheets. **Individual learner activity:** write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheets for trial balances Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
4	The trial balance (part 2)	Teacher-led plus independent learning activities	**Lead in:** provide an overview of the previous lesson. **Individual learner activity:** complete exercises to create ledger accounts, using double-entry bookkeeping. Complete trial balances from ledger accounts. **Teacher-led presentation:** explain and demonstrate the entries made to record expenses and revenues, balancing-off of these accounts and extraction of trial balances. **Teacher led discussion:** to ensure learners' participation in class discussions and understanding of concepts. **Group activity:** present and share examples of trial balances. Mark and correct each other's work. **Individual learner activity:** write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheets for trial balances Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
5	Financial accounts	Teacher-led plus independent learning activities	**Lead in:** provide an overview of the previous lesson. **Teacher-led presentation:** explain the differences between financial reports and statements, and different types of account, including IFRS standards layout of financial statements. **Paired activity:** discuss and list the differences between financial reports and financial statements using case studies. **Teacher-led discussion:** to confirm learners' understanding of the difference between financial reports and financial statements. **Individual learner activity:** prepare financial statements for a sole trader from a given trial balance. Complete worksheets and take notes for preparing financial statements. Carry out further exercises to produce financial statements from a given trial balance. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Templates for income statements and balance sheets Case studies of private sector business organisations Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
6	Adjustments to final accounts and accounting principles and conventions	Teacher-led plus independent learning activities	**Lead-in:** overview of the previous lesson. **Teacher-led presentation:** what are adjustments and when are they made, including accruals, prepayments, bad debts, depreciation; and how to make adjustment calculations from the trial balance. **Paired activity:** identify adjustment types from a given list. **Individual learner activity:** prepare final accounts with adjustments (accruals, prepayments, bad debts, depreciation). **Group activity:** peer review each other's work and mark it; identifying errors in calculations and methods. **Teacher-led discussion:** ask learners to present their solutions to the set exercises and to discuss mistakes, methods and calculations. **Individual learner activity:** carry out further exercises to produce financial statements from a given trial balance, with adjustments. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Templates for income statements and balance sheets Activity sheets to prepare financial accounts Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
7	Assignment workshop	Teacher –led plus independent learning activities IS/AW	**Lead in:** recap the principles of accounting, conventions and standards. **Teacher-led discussion:** about test requirements. **Teacher-led activity:** use questions and answers to address general queries and concerns, both group and individual. **Teacher-led discussion:** review learner performance. **Individual learner activity:** highlight which topics/practices/theory need to be recapped. Check progress with assessment requirements. Work though a mock, closed book, in-class test about the completion and preparation of final accounts for sole traders, partnerships and limited companies. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Assessment recording documentation Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
8	Bank reconciliations (part 1)	Teacher-led plus independent learning activities	**Lead-in:** provide an overview of the previous lesson. Distribute assignment brief and walk through requirements. **Teacher-led presentation:** the need for bank reconciliations, the process for bank reconciliations, bank reconciliation terminology, bank reconciliation problems. **Paired activity:** complete set task in simple bank reconciliations. Discuss and list the benefits of bank reconciliations. **Individual learner activity:** to work on complex bank reconciliation set tasks, including the identification and resolution of potential problems. **Teacher-led discussion:** the importance of reconciliation. Ask learners to present their solutions to the set exercises and discuss mistakes, methods and calculations. **Individual learner activity:** write up notes. Review cash book and bank statements. Reconcile and go through the reconciliation process. Complete exercises from given data to verify accurate input, using tools and techniques. Commence work on the assignment brief. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheet for bank reconciliations Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
9	Bank reconciliations (part 2)	Teacher-led plus independent learning activities	**Lead in:** provide an overview of the previous lesson, using questions and answers to confirm learners' understanding. **Individual learner activity:** prepare the bank reconciliation statement, with sample activities. Review cash book and bank statements to reconcile and go through the process. Complete exercises from given data to verify accurate input, using tools and techniques. **Group activity:** review each other's work and mark it, identifying errors in calculations and methods. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheet for bank reconciliations Activity sheet for review of cash book and statements Computers with internet access
10	In-class test	Teacher-led plus independent learning activities	**Teacher-led activity:** review in-class exam results and correct any errors. **Individual learner activity:** complete the test paper. **Class activity:** ask volunteers to demonstrate and work through calculations on the board using the examples from the in-class test, to show the correct calculations. **Teacher-led presentation:** highlight the main points and errors drawn from the previous activity and answer learner queries.	Whiteboard and pens Test paper

#	Topic	Lesson type	Suggested activities	Classroom resources
11	The process of reconciliation	Teacher-led plus independent learning activities	**Lead in:** provide an overview of the previous lesson. **Teacher-led presentation:** tools and techniques used to check financial accounts. This should include documentation review and analytics review, what a profit and loss statement and balance sheet are and reconciliation, from manual to automated. **Teacher-led discussion:** the importance of reconciliation. **Paired activity:** identify reconciliation in the balance sheet. What adjustments have been made and why? If software is available, complete an automated reconciliation exercise. **Individual learner activity:** complete an exercise to check accounts and balance sheets against liquid holdings and cash reserves. Write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheet for bank reconciliations Activity sheet for checking accounts and balances Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
12	Variances	Teacher-led plus independent learning activities	**Lead in:** overview of the previous lesson. **Teacher-led presentation:** introduce variance analysis, including what variance is and the different types of variance. **Paired activity:** identify variances from given data. **Teacher-led discussion:** management actions required to address variances, and any issues arising from such action. **Group activity:** case study requiring learners to agree management actions to address variances. **Individual learner activity:** interpret the impact of a range of variances on an organisation's accounts. Carry out further exercises on the variances identified through bank reconciliations. Write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheet to identify and address variances Computers with internet access Case study

#	Topic	Lesson type	Suggested activities	Classroom resources
13	Control and suspense accounts	Teacher-led plus independent learning activities	**Lead in:** overview of the previous lesson, using questions and answers to confirm learners' understanding. **Teacher-led presentation:** control and suspense accounts, how they support financial management, the efficient recording of financial transactions, how and why the reconcile is conducted. **Teacher-led discussion:** differentiate between the features of suspense and control accounts. **Small group activity:** discuss and present the requirements for effective financial management. **Individual learner activity:** carry out exercises moving transactions from suspense account to the correct account. Practice exercises and completion of reconciliation. Write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheet to identify and address variances Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
14	Reconciling suspense and control accounts	Teacher-led plus independent learning activities	**Lead in:** provide an overview of the previous lesson. **Teacher-led presentation:** control and suspense accounts, to include why and how reconcile is conducted, the differences between debtors and creditors control accounts, explain the role of debtor and creditor accounts. **Teacher-led discussion:** using the case study from the presentation, identify any issues that may arise if reconciliations were not carried out. **Small group activity:** using the case study on control and suspense accounts, prepare a flow chart of what would happen at each stage in the process if reconciliation was not carried out. Feed back the results to the rest of the class, comparing and contrasting other group's responses. **Individual learner activity:** re-create the process for carrying out reconciliation by completing exercises. Write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheet on reconciliation Case study control and suspense accounts Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
15	Preparation of final accounts	Teacher-led plus independent learning activities	**Lead in:** overview of the previous lesson and recap of Learning aim A. **Teacher presentation:** differences between sole traders, partnerships and limited companies. IAS1 and the preparation of final accounts for partnerships and limited companies. Appropriation account of a partnership and distribution of profits. **Individual learner activity:** using given data, prepare final accounts for a partnership and for a limited company and prepare an appropriation account for a partnership. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheets for preparation of financial statements Computers with internet access
16	Final Accounts	IS/AW	**Lead-in:** feedback from homework activity set at end of previous lesson. **Individual learner activity:** work through a case study involving the recording of financial transactions; adjustments, accruals, reconciliation and the preparation of final accounts. **Teacher activity**: provide individual general support, as required. **Plenary session:** confirm the main learning points identified in the lesson	Case study recording financial transactions

#	Topic	Lesson type	Suggested activities	Classroom resources
17 - 19	Assignment workshop x 3	IS/AW	**Lead in:** overview of the previous lesson. Recap of bank reconciliations and reconciling accounts. Walk-through of the assignment brief. **Teacher led activity:** address general queries and concerns, both group and individual. Provide formative assessment feedback. **Individual learner activity:** highlight which topics/practices/theory need to be recapped. Check progress with assessment requirements. Complete work on assignment. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Assessment recording documentation Computers with internet access
20	Unit review	IS	**Lead-in activity:** hand out marked assignments, submitted at the end of the previous lesson. Provide feedback on assignment, addressing any common errors and presenting issues. **Individual learner activity:** work through assignment and make required amendments. **Teacher-led discussion:** review unit. Obtain learner feedback on the positive aspects of the unit, including the key learning points, any topics they found difficult, and any suggested improvements to the unit, such as the pace of lessons, access to teacher support, quality of resources, assignment deadlines.	Unit specification Whiteboard and pens Unit review template Teacher presentation slides and notes

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Introduction to Financial Accounting
Lesson no	1 (180 minutes)

Lesson objectives	Learners must be able to: • understand the scope of the unit coverage • understand the relationship between business activities and financial accounting • understand why businesses keep financial records.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Assets, liabilities and capital • **TF:** Recording the key learning outcomes
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

<table>
<tr><th>Activities</th><th>Teaching notes</th></tr>
<tr><td>Starter activity

(10 minutes)</td><td>Lead-in:
• the role of accounting
• an introduction to the unit content
• an introduction to the unit assessment.</td></tr>
<tr><td>Main activities

(150 minutes)</td><td>Paired activity: ‘getting to know you’, in which each learner shares their work experience to date and describes their current work role.

Teacher–led class discussion: to assess any prior experience/learning/knowledge.

Teacher-led presentation: the basic functions of business in relation to the finance function.

Small group activity: discuss and list the financial transactions that an organisation might undertake, and relate these to the financial activities discussed previously.

Teacher-led presentation: an introduction to assets, liabilities and capital.

Individual learner activity: complete exercise on distinguishing between assets, liabilities and capital.</td></tr>
<tr><td>Concluding activity

(20 minutes)</td><td>Plenary session: confirm the main learning points identified in the lesson.</td></tr>
<tr><td>Private study/homework</td><td>Individual learner activity:
• write up notes.
• complete set tasks involving the classification of assets, liabilities and equity and numerical exercises involving the accounting equation
• compare and contrast the features of manual and electronic accounting systems.</td></tr>
</table>

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	2 (180 minutes)

Lesson objectives	Learners must be able to: • explain the accounting equation and its individual components • make accounting entries (debits and credits), using the principles of double-entry principles and using T-account • complete exercises for recording basic transactions in sales, purchases, cash payments and receipts.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Financial transactions • **AS:** Recording basic transactions in sales, purchases, cash payments and receipts • **AS:** Classification of assets, liabilities and equity and numerical exercises involving the accounting equation
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

<table>
<tr><th>Activities</th><th>Teaching notes</th></tr>
<tr><td>Starter activity

(10 minutes)</td><td>Lead-in: the role of the accounting and regulatory framework</td></tr>
<tr><td>Main activities

(150 minutes)</td><td>Paired activity: ‘getting to know you’ activities in which each learner shares their work experience to date and describes their current work role.

Teacher-led presentation:
the principles of double entry book-keeping
how to record debit and credit entries
explain the ledger and what the ledger account is
issue the assignment.
Individual learner activity:
compare and contrast the features of manual and electronic accounting systems
complete exercises for recording basic transactions in sales, purchases, cash payments and receipts.
Paired activity: find two examples of computerised accounting systems and consider the impact of the regulation of financial accounting on an organisation
Teacher-led presentation: introduce assets, liabilities and capital, including:
how the accounting equation relates to the double-entry system
explanation and demonstration of the dual effect principle, separate entity principle and accounting equation, as well as the effects of transactions on the accounting equation
how to record debit and credit entries
the ledger, and what the ledger account is.
Individual learner activity: complete exercises for recording basic transactions in sales, purchases, cash payments and receipts.</td></tr>
<tr><td>Concluding activity

(20 minutes)</td><td>Plenary session: confirm the main learning points identified in the lesson.</td></tr>
<tr><td>Private study/homework</td><td>Individual learner activity:</td></tr>
</table>

Activities	Teaching notes
	• write up notes and commence the glossary of key terms • complete set tasks involving the classification of assets, liabilities and equity and numerical exercises involving the accounting equation • compare and contrast the features of manual and electronic accounting systems.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	3 (180 minutes)

Lesson objectives	Learners must be able to: • produce a basic trial balance from given data in ledger accounts • complete practice exercises to produce basic trial balance sheets.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Trial balance worked exercises
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** recap previous lesson, to include: • accounting terminology – assets, liabilities, capital (equity) • the accounting equation • the principles of double-entry bookkeeping.
Main activities (150 minutes)	**Teacher-led presentation:** on the function of the trial balance, to include: • the preparation of the trial balance • the flow of transactions, books of accounts, dual effect of transactions • a demonstration of the recording of transactions on a trial balance. **Individual learner activity:** produce a trial balance from given data in ledger accounts, to include: • recreation of the flow of transactions • completion of practice exercises to produce basic trial balance sheets.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	• **Individual learner activity:** write up their notes, including preparation of trial balance, with worked examples.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	4 (180 minutes)

Lesson objectives	Learners must be able to: • complete tasks involving the recording of expenses and revenues • demonstrate the recording of transactions on a trial balance • complete exercises to create ledger accounts, using double-entry bookkeeping • complete trial balances from ledger accounts.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Tasks involving the recording of expenses and revenues • **AS:** Complete exercises to create ledger accounts using double-entry bookkeeping • **AS:** Complete trial balances from ledger accounts
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** explain and demonstrate the entries made to record expenses and revenues, balancing-off of these accounts and extraction of trial balances. **Teacher led discussion:** to ensure learners' participation in class discussions understanding of concepts. **Individual learner activity:** • complete exercises to create ledger accounts, using double-entry bookkeeping • complete trial balances from ledger accounts. **Group activity:** present and share examples of trial balances. Mark and correct each other's work.
Concluding activity (20 minutes)	**Plenary session:** to confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • complete exercises from lesson

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	5 (180 minutes)

Lesson objectives	Learners must be able to: • explain the differences between financial reports and statements • explain the main types of financial statements and the financial data they contain • understand the layout of the main financial statements • prepare an income statement and a balance sheet for a sole trader from a given trial balance.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Income statements and balance sheets • **AS:** Case studies of private sector business organisations
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** explain the differences between financial reports and statements, to include: • different types of accounts – financial statements, income statement (P/L account), balance sheet • IFRS standards – purpose and scope • the layout of the financial statements (IAS1 or similar) **Paired activity:** discuss and list the differences between financial reports and financial statements, using case studies. **Teacher-led discussion:** confirm learners’ understanding of the difference between financial reports and financial statements. **Individual learner activity:** • prepare financial statements for a sole trader from a given trial balance • complete worksheets and take notes for preparing financial statements.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • carry out further exercises to produce financial statements for a sole trader from a given trial balance.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	6 (180 minutes)

Lesson objectives	Learners must be able to: • prepare final accounts with adjustments (accruals, prepayments, bad debts, depreciation).

Resources checklist	• Unit specification
	• Whiteboard and pens
	• **PS:** Teacher presentation slides and notes
	• **AS:** Pair work activity to identify adjustment types from a given list including templates for income statements and balance sheets
	• **AS:** Prepare final accounts with adjustments:
	  ○ accruals
	  ○ prepayments
	  ○ bad debts (irrecoverable debts)
	  ○ depreciation

Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered
Main activities (150 minutes)	**Teacher-led presentation:** • what adjustments are and when they are made – accruals, prepayments, bad debts, depreciation • how to make adjustment calculations from the trial balance. **Paired activity:** identify adjustment types from a given list. **Individual learner activity:** prepare final accounts with adjustments (accruals, prepayments, bad debts, depreciation). **Group activity:** peer review each other's work and mark it; identifying errors in calculations and methods. **Teacher-led discussion:** in which learners present their solutions to the set exercises and discuss mistakes, methods and calculations.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • carry out further exercises involving adjustments.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	7 (180 minutes)

Lesson objectives	Learners must be able to: • understand the approach taken when completing accounting assignments • understand the requirements of the accounting assignment case study.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Recording financial transactions assignment
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** recap the principles of accounting, conventions and standards.
Main activities (150 minutes)	**Teacher-led discussion:** about the assignment requirements and submission format. **Teacher-led activity:** use questions and answers to address general queries and concerns, both group and individual. **Teacher-led discussion:** review of learner performance. **Individual learner activity:** • highlight which topics/practices/theory need to be recapped • check progress with assessment requirement • work through a mock, closed book, in-class test for the completion and preparation of final accounts for sole traders, partnerships and limited companies.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity**: • write up notes • complete set tasks involving the classification of assets, liabilities and equity and numerical exercises involving the accounting equation. • compare and contrast the features of manual and electronic accounting systems.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	8 (180 minutes)

Lesson objectives	Learners must be able to: • explain the need for bank reconciliations • explain the process for bank reconciliations • use bank reconciliation terminology • complete a bank reconciliation • identify and address bank reconciliation problems.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Bank reconciliation set tasks
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** • distribute the assignment brief • walk through each task and the requirements • agree submission date • address any queries raised by the learners. **Teacher-led presentation:** on bank reconciliation: • the need for bank reconciliations • the process for bank reconciliations • bank reconciliation terminology • bank reconciliation problems. **Paired activity:** complete set tasks in simple bank reconciliations. Discuss and list the benefits of bank reconciliation. **Individual learner activity:** to work on complex bank reconciliation set tasks, including the identification and resolution of potential problems. **Teacher-led discussion:** the importance of reconciliation. Ask learners to present their solutions to the set exercises and discuss mistakes, methods and calculations.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • review and reconcile cash book and bank statements • complete exercises from given data to verify accurate input, using tools and techniques • commence work on the assignment brief.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	9 (180 minutes)

Lesson objectives	Learners must be able to: • review cash book and bank statements to undertake reconciliation • prepare a bank reconciliation statement.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Review cash book and bank statements • **AS:** Bank reconciliation statement
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

<table>
<tr><th>Activities</th><th>Teaching notes</th></tr>
<tr><td>Starter activity

(10 minutes)</td><td>Lead-in: overview of the previous lesson, using questions and answers to confirm learners’ understanding.</td></tr>
<tr><td>Main activities

(150 minutes)</td><td>Individual learner activity:
prepare the bank reconciliation statement, with sample activities
reconcile cash book and bank statements
complete exercises from given data to verify accurate input, using tools and techniques.
Group activity: review each other’s work and mark it, identifying errors in calculations and methods.

Plenary session: confirm the main learning points of the activity.</td></tr>
<tr><td>Concluding activity

(20 minutes)</td><td>Plenary session: confirm the main learning points identified in the lesson.</td></tr>
</table>

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	10 (180 minutes)

Lesson objectives	Learners must be able to: • complete a set of tasks involving the recording of financial transactions in an applied business context.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Test question paper
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** provide a walk-through of the test questions and clarify any points raised by learners.
Main activities (150 minutes)	**Individual learner activity:** complete the test paper. **Class activity:** ask individual learners to walk through their answers to the test questions. Identify good practice points, correct errors and note common mistakes. **Teacher-led presentation:** highlight the main points and errors drawn from the previous activity and answer learner queries.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	11 (180 minutes)

Lesson objectives	Learners must be able to: • use appropriate accounting tools and techniques to check financial accounts • explain the purpose of a profit and loss statement and a balance sheet • identify reconciliation in the balance sheet and determine the reasons for adjustments.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Identify reconciliation in the balance sheet • **AS:** Check accounts and balance sheets against liquid holdings and cash reserves
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** tools and techniques used to check financial accounts, including: • documentation review and analytics review • what a profit and loss statement is, and what a balance sheet is (link this with the Assignment Brief being completed by learners) • reconciliation from manual to automated. **Teacher-led discussion:** the importance of reconciliation. **Paired activity:** identify reconciliation in the balance sheet. What adjustments have been made and why? If software is available complete an automated reconciliation exercise. **Individual learner activity:** complete an exercise to check accounts and balance sheets against liquid holdings and cash reserves. Write up notes. **Teacher-led discussion:** review learner responses, confirm best practice and address any issues.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • complete set exercises in reconciliation • complete an exercise to check accounts and balance sheets against liquid holdings and cash reserves.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	12 (180 minutes)

Lesson objectives	Learners must be able to: • explain what is meant by a variance • explain how variances can arise • propose appropriate management actions to address variances.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case study - set exercise to identify variances • **AS:** Management actions to address variances
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson Identify good practice points and address any issues and problems that learners encountered. check on learners' progress with the assignment and address any queries.
Main activities (150 minutes)	**Teacher-led presentation:** introduce variance analysis and the different types of variances. **Paired activity:** identify variances from a given data set. **Individual learner activity:** interpret the impact of a range of variances on an organisation's accounts. **Teacher-led discussion:** management actions required to address variances, and any issues arising from such action. **Group activity:** case study requiring learners to agree management actions to address variances.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • carry out further exercises on variances identified through bank reconciliations • consider and present what the effect would be if reconciliations were not carried out • complete exercises that recreate the process for carrying out a reconciliation.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	13 (180 minutes)

Lesson objectives	Learners must be able to: • explain the purpose of control and suspense accounts • carry out the necessary procedures to move transactions from a suspense account to the correct account.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Set exercise to identify variances • **AS:** Management actions to address variances
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

<table>
<tr><th>Activities</th><th>Teaching notes</th></tr>
<tr><td>Starter activity

(10 minutes)</td><td>Lead-in: ask learners to present their responses to the homework activities set at the end of the previous lesson.

Identify good practice points and address any issues and problems that learners encountered.</td></tr>
<tr><td>Main activities

(150 minutes)</td><td>Teacher-led presentation: control and suspense accounts, to include:
the differences between debtors and creditors control accounts
how these accounts support financial management and the efficient recording of financial transactions
why and how the reconcile is conducted.
Teacher-led discussion: differentiate between the features of suspense and control accounts.

Small group activity: discuss and present the requirements for effective financial management.

Individual learner activity:
carry out exercises moving transactions from suspense account to the correct account
practice exercises and complete the reconciliation.</td></tr>
<tr><td>Concluding activity

(20 minutes)</td><td>Plenary session: to confirm the main learning points identified in the lesson.</td></tr>
<tr><td>Private study/homework</td><td>Individual learner activity:
write up notes
carry out further exercises on variances identified through bank reconciliations
consider and present what the effect would be if reconciliations were not carried out
complete exercises to recreate the process for carrying out a reconciliation.</td></tr>
</table>

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	14 (180 minutes)

Lesson objectives	Learners must be able to: • understand the difference between debtor and creditor control accounts • explain the role of debtor and creditor accounts • complete reconciliation exercises.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case study control and suspense accounts • **AS:** Reconciliation exercises
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

<table>
<tr><th>Activities</th><th>Teaching notes</th></tr>
<tr><td>Starter activity

(10 minutes)</td><td>Lead-in: use questions and answers to check learners' understanding of the previous lesson.</td></tr>
<tr><td>Main activities

(150 minutes)</td><td>Teacher-led presentation: walk through a case study about control and suspense accounts, to include:
the difference between debtors and creditors control accounts
control and suspense accounts
why and how reconcile is conducted
the role of debtor and creditor accounts.
Teacher-led discussion: using the case study from the previous presentation, identify any issues that may arise if reconciliations were not carried out.

Small group activity: using the case study on control and suspense accounts, prepare a flow chart of what would happen at each stage in the process if reconciliation was not carried out. Feed back the results to the rest of the class, comparing and contrasting other group's responses.</td></tr>
<tr><td>Concluding activity

(20 minutes)</td><td>Plenary session: confirm the main learning points identified in the lesson.</td></tr>
<tr><td>Private study/homework</td><td>Individual learner activity:
write up notes
recreate the process for carrying out a reconciliation from a given scenario.</td></tr>
</table>

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	15 (180 minutes)

Lesson objectives	Learners must be able to: • prepare financial statements for a partnership • prepare financial statements for a limited company.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Complete reconciliation activities involving control and suspense and control accounts • **AS:** Prepare financial statements for a partnership • **AS:** Prepare financial statements for a limited company
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** overview of the previous lesson.
Main activities (150 minutes)	**Teacher-led presentation:** • the differences between sole traders, partnerships and limited companies – structure, finance and financial reporting • IAS 1 – presentation of financial statement • preparation of final accounts for partnerships and limited companies • appropriation account of a partnership • the implications of distribution of profits in a partnership (simple appropriation account involving two partners with different share allocation of capital invested and different drawing capacities).
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • using given data, prepare financial statements for a partnership and for a limited company, and a simple appropriation account for a partnership.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	16 (180 minutes)

Lesson objectives	Learners must be able to: • complete all tasks contained in a case study.

Resources checklist	• Unit specification • Whiteboard and pens • **AS:** Case study recording financial transactions • **AS:** Completion of case study
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Individual learner activity:** practical workshop to complete a full case study covering learning aims A and B. **Teacher activity**: provide individual general support, as required.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • complete the case study from the lesson, addressing any errors and omissions.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	17–19 (180 minutes x3)

Lesson objectives	Learners must be able to: • complete all tasks in the assignment brief • submit completed assignment brief by the submission deadline.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Set assignment brief; assessment recording documentation.
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** overview of the previous lesson. Recap of bank reconciliations and reconciling accounts. Walk through the assignment brief.
Main activities (150 minutes for each lesson)	**Teacher-led activity:** address general learner queries and concerns. **Individual learner activity**: work on the set assignment. **Teacher-led activity:** provide tutorial support to individual learners, with formative assessment feedback.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** write up notes.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Lesson no	20 (180 minutes)

Lesson objectives	Learners must be able to: • identify the strengths and weaknesses of their submitted work • know the areas of improvement required in their own knowledge of the subject matter.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Unit review template
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** hand out marked assignments, submitted at the end of the previous lesson. Identify best practice points and address any common errors and presenting issues.
Main activities (150 minutes)	**Teacher-led presentation:** go through each individual task in the assignment brief: • highlighting the key points required in each task • identifying the key learning points • discussing with learners those areas that they appear to have found the most difficult.
Concluding activity (20 minutes)	**Review of unit:** lead a discussion to obtain learner feedback on the positive aspects of the course including: • the key learning points • any topics they found difficult • suggested improvements to the unit, such as the pace of lessons, access to teacher support, quality of resources, assignment deadlines.
Private study/homework	**Individual learner activity**: • to write up notes and complete the glossary of key terms • to prepare an action plan that identifies areas of weakness in the subject matter and the support required to improve performance.

Assignment brief

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 1: Recording Financial Transactions
Learning aim(s)	A. Be able to record business transactions using double-entry bookkeeping. B. Be able to prepare final accounts. C. Be able to perform bank reconciliations to ensure that company and bank records are correct. D. Be able to reconcile control accounts and shift recorded transactions from the suspense accounts to the right accounts.
Assignment title	**Applying financial accounting principles**
Assessor	
Issue date	
Hand-in deadline	

Vocational scenario or context	You are a junior accountant in a small accountancy business. You have been asked to prepare and produce a set of final accounts for a client's business.

Task 1	You have been provided with a set of financial details from which you are to create: • a general ledger • a trial balance • an income statement • a balance sheet. You will need to adjust these documents, as required, and once the general ledger is completed you will also have to check the bank statements provided to make any bank reconciliations.

	Once completed, you will present a portfolio of final accounts to your line manager. In addition to this, a summary explanation of the control reconciliation process is to be presented that will indicate how and why you made each of the reconciliations.
Checklist of evidence required	The submission is in the form of a portfolio, to include: • draft accounts • prepared final accounts • an explanation of the control reconciliation process.

Criteria covered by this task:

Criterion reference	To achieve the criterion you must show that you are able to:
A.P1	Apply the double-entry bookkeeping system of debits and credits. Record sales and purchases transactions in a general ledger.
A.P2	Produce a trial balance, applying the use of the balance off rule to complete the ledger.
A.P3	Analyse transactions to show the progression from a previous trial balance to the next one, using double-entry bookkeeping.
B.P1	Prepare accounts from a given trial balance.
B.P2	Produce final accounts for a trading organisation.
B.P3	Make adjustments to balances of sum accounts, including accruals, depreciation and prepayments before preparing the final accounts.
C.P1	Apply the bank reconciliation process to prepare bank reconciliations.
C.P2	Prepare accurate bank reconciliations, applying appropriate tools and techniques to check general accounts and balance sheets.
D.P1	Explain the process taken to reconcile control accounts and clear suspense accounts using given account examples.
D.P2	Produce accurate accounts that have been reconciled, applying the appropriate methods.

Sources of information to support you with this assignment	**Textbooks** ATRILL, P. and McLANEY, E. (2012) *Accounting and Finance for Non-Accounting Specialists*, Pearson (2012), ISBN-13: 978-0273778035. DYSON, J. R., (2010) *Accounting for Non-Accounting Students*, Financial Times/Prentice Hall (2010), ISBN-13: 978-0273034391. GLAUTIER, M. et al, (2010) *Accounting Theory and Practice*, Financial Times/Prentice Hall (2010), ISBN-13: 978-027362444-8. LOUGHRAN, M. (2011) *Financial Accounting for Dummies*, John Wiley & Sons, Inc. (2011), ISBN-13: 978-0470930656. MCLANEY, E. and ATRILL, P. (2012) *Accounting: An Introduction*, Pearson (2012), ISBN-13: 978-0273771944. **Journals** *Journal of Accounting, Auditing & Finance* *Journal of Business Finance & Accounting* *International Journal of Managerial and Financial Accounting*
Other assessment materials attached to this assignment brief	Mini case study, including financial data

Unit 1 Assignment support materials

Assignment: Applying financial accounting principles

Context

You have been having a series of meetings with a new client called Akbar. You have been able to establish that he is an experienced and very knowledgeable mining engineer.

Akbar has provided you with a summary of his business, when and why it was formed. He has also provided you with some financial information, which is shown below.

Nine months ago, having worked as an employer for over 20 years, Akbar established a consultancy business to provide expert advice to organisations that operate in the Uzbekistan mining sector.

Akbar leased an office, which costs $3000 per year, which he pays monthly in advance. He also purchased office equipment, costing $600, specialist job-related equipment, costing $1000, and a car, which cost $1500. Akbar employs two people. One is in a part-time sales and marketing role, with a salary of $2400 per year. The other is an administrative clerk, who also records Akbar's accounts, with a salary of $4800 per year. Both employees are paid monthly in arrears.

To fund the start-up costs, and to provide working capital to cover initial expenses, Akbar invested $3000 of his own money, established a bank overdraft of $2000 and borrowed $3000 from his bank. The bank loan is to be repaid in equal amounts over three years, at $108 per month. Should Akbar need to use his overdraft, he believes the rate of interest would be 2.5% per month.

In addition to paying for his office lease, Akbar pays for his gas and electricity bills on a monthly basis through his landlord. He arranged to pay his utility bills monthly in arrears. Akbar calculated that the total of his utility bills each month would be $100 and agreed to pay this amount each month to his landlord. Every three months Akbar would be given an invoice for the actual amount of gas and electricity used and would have to make any additional payment if required.

After the first six months of trading:

- total expenses were $1400
- total revenue was $29,800
- Akbar took drawings of $500 per month.

Assumptions

These assumptions apply throughout activities 1 and 2, where relevant.

- Depreciation is based on the straight-line principle.
- Personal income tax is paid at the current rate for Uzbekistan.
- Social tax is paid at the current rate for Uzbekistan.
- All debts were settled prior to the trial balance.
- Cheques take up to five working days to clear.

Task 1

Akbar has approached you because he would like to determine the financial position of his business, as he is considering bidding for larger contracts. He wants to make sure his business is in a strong financial position so that he could apply to his bank for additional financial support.

Using the information above, produce a trial balance for the first nine months of trading. You are to assume the accounts have been reconciled with the bank statements by the administrative clerk.

You inform Akbar that the fee for this service is $50, which you will invoice for, and expect to be paid within 30 days of the invoice date.

Task 2

Based on the trial balance that you produced, Akbar believes his business is in a strong financial position to expand. After a further three months Akbar made a successful bid for a large contract. This also coincided with the end of his first trading year.

Akbar has approached his bank to secure an additional loan of $10,000. This would provide the necessary funds to hire more employees, move into larger offices, purchase additional equipment and improve the liquidity of the business. To support the loan application, Akbar's bank has asked him to submit a summary of his first trading year through the following documents:

- a copy of the general ledger
- a trial balance for the first 12 months of trading
- an income statement
- a balance sheet.

Akbar has asked you to produce these documents for him. You advise Akbar that all the documents you prepare will be subject to review by your manager, who will confirm their accuracy. The fee for this service is $150. This would be invoiced, with payment due within 30 days of the invoice date.

Akbar has agreed to supply you with the bank statements for months 10, 11 and 12.

The following transactions have been presented to you by Akbar, which are in addition to the regular, monthly payments stated above.

Month	Day	Transaction	Amount ($)
10	2	Payment Received (Cheque)	250
	2	Fuel (Cash)	29
	3	Meal - meeting with prospective client (Cash)	15
	5	Payment received (Bank)	300
	8	Car service (Cheque 025)	60
	9	Fuel (Cash)	30
	10	Stationery (Cash)	10
	10	Postage (Cash)	4
	12	Purchase - new job equipment (Cheque 026)	500
	15	Payment received (Cheque)	600
	17	Fuel (Cash)	25
	18	Payment received (Bank)	400
	23	Payment received (Bank)	525
	24	Stationery (Cash)	5
	25	Meal - meeting with existing client (Cash)	12
	27	Meal - meeting with prospective client (Cash)	20
	29	Payment received (Cheque)	1200

Month	Day	Transaction	Amount ($)
11	1	Fuel (Cheque 027)	30
	4	Payment received (Cash)	500
	5	Meal - meeting with prospective client (Cash)	20
	6	Accountant's fee (Cheque 028)	50
	7	Payment received (Cheque)	225
	7	Car repairs (Cash)	60
	7	Stationery (Cash)	12
	10	Postage (Cash)	5
	11	Payment received (Bank)	600
	15	Meal - meeting with prospective client (Cash)	30
	16	Payment received (Cash)	550
	18	Fuel (Cheque 028)	30
	21	Meal - meeting with existing client (Cheque 029))	20
	22	Payment received (Bank)	360
	24	Payment received (Bank)	240
	28	Job-related protective equipment (Cheque 030)	100
	29	Meal - meeting with prospective client (Cash)	20
	30	Payment received (Bank)	2000

Month	Day	Transaction	Amount ($)
12	1	Meal - team meeting (Cash)	20
	2	Payment received (Bank)	380
	4	Payment for staff training (Cheque 031)	50
	6	Payment received (Cash)	450
	6	Car repair and fuel (Cheque 032)	80
	9	Payment received (Bank)	600
	12	Payment received (Bank)	225
	12	Payment received (Bank)	600
	15	Fuel (Cash)	20
	16	Payment received (Cheque)	550
	22	Meal - meeting with existing client (Cash)	20
	22	Meal - meeting with prospective client (Cash)	35
	25	Payment received (Cash)	240
	28	Meal - meeting with prospective client (Cash)	20
	30	Payment received (Bank)	300

You must now use initial trial balance as the basis for producing the following draft documents:

- general ledger
- trail balance for the first 12 months of trading
- income statement
- balance sheet.

Shortly after completing the draft documents stated above, Akbar sent you the following bank statements.

Month	Day	Transaction	Amount ($)
10	1	Cash withdrawal	150
	1	Office lease	250
	1	Bank loan	108
	1	Utility bills	100
	3	Cheque deposit	250
	5	Bank transfer receipt	300
	13	Cheque (025)	80
	15	Cheque deposit	600
	18	Bank transfer receipt	400
	20	Cheque (026)	495
	23	Bank transfer receipt	505
	29	Cheque deposit	1200
	30	Salary 1	200
	30	Salary 2	400
	30	Drawings	500

Month	Day	Transaction	Amount ($)
11	1	Office lease	250
	1	Bank loan	108
	1	Utility bills	100
	4	Cash deposit	250
	5	Cheque (027)	40
	7	Cheque deposit	225
	11	Cheque (028)	50
	11	Bank transfer receipt	600
	22	Bank transfer receipt	360
	23	Cash deposit	575
	23	Cheque (028)	30
	24	Bank transfer receipt	240
	25	Cheque (029)	20
	30	Bank transfer receipt	2000
	30	Salary 1	200
	30	Salary 2	400
	30	Drawings	500

Month	Day	Transaction	Amount ($)
12	1	Office lease	250
	1	Bank loan	108
	1	Utility bills	100
	2	Bank transfer receipt	380
	3	Cheque (030)	100
	6	Cash deposit	300
	7	Cash deposit	225
	9	Cheque (031)	50
	9	Bank transfer receipt	600
	11	Cheque (032)	90
	11	Bank transfer receipt	600
	12	Bank transfer receipt	225
	16	Cheque deposit	550
	26	Cash deposit	240
	30	Bank transfer receipt	300
	30	Salary 1	200
	30	Salary 2	400
	30	Drawings	500

Akbar also gave you an invoice from his landlord for the past three months' gas and electricity usage. This invoice was for $350.

Using these bank statements, you must now adjust the draft documents to produce the final accounts.

Both the draft and the final documents are to be presented to your line manager.

Task 3

To demonstrate you understand the control reconciliation process, you are to produce a report that explains how each reconciliation was made, and why.

Your report, together with the draft and final accounts, will be presented to your manager.

Unit 2: Principles of Financial Management

Delivery guidance

Your learners are likely to be in a work role, or aspire to be in a work role, in which they are involved in some way in the decision-making process. It is good practice for learners to share their work experience to date with others in the group, so that you obtain an overall profile of the group.

You can then draw on the experience of your learners to describe how they are involved in making decisions, the financial information they access to inform their decisions and the factors they take into account when reaching a final decision.

Figure 1 provides an overview of how you should approach the delivery of this unit.

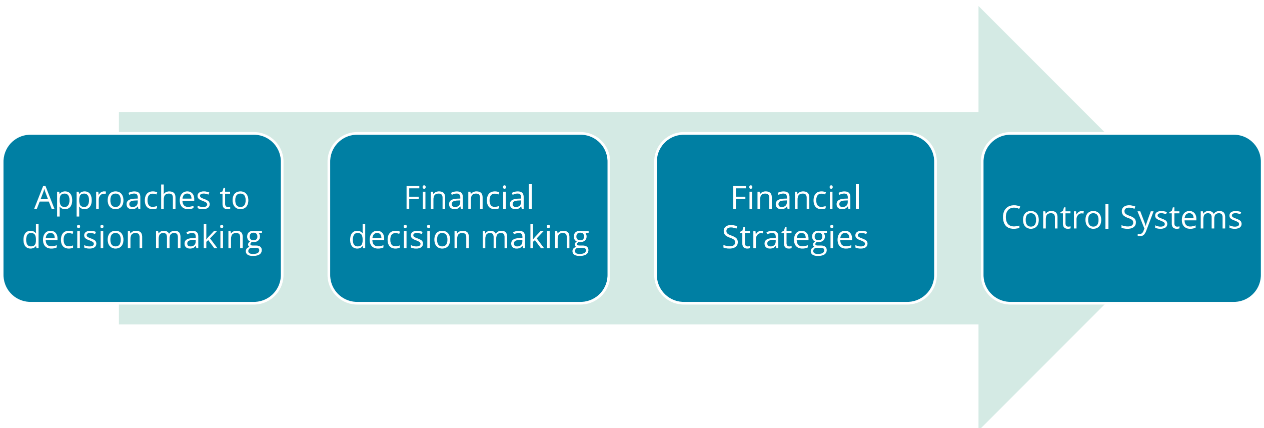

Figure 1: Approaching the unit

The scheme of work that accompanies the support material for this unit will help you deliver a logically consistent teaching programme that builds on the knowledge and skills of your learners.

The scheme of work identifies 20 sessions that make up the course. In the lesson plans prepared for this unit, 10 x 3-hour lessons have been prepared. The other activities in the scheme of work are covered by independent learning activities, which are completed by learners in their own time, outside of formal teaching sessions.

Approaching the unit

Learners may have already completed or be in the process of completing *Unit 1: Recording Financial Transactions* and will, therefore, be familiar with the preparation and content of the main financial statements – the income statement and the balance sheet (note that the glossary provided to the learners will familiarise them with International Financial Reporting Standards (IFRS) financial terminology, which describes these two financial statements).

Learners will, therefore, be familiar with the calculation of gross and net profit from the income statement, as well as the application of the accounting equation on which the balance sheet is based (assets= liabilities + capital, or equity). Additionally, they will have covered adjustments to the final accounts, including accruals, prepayments and depreciation.

This unit builds on the foundations of the accounting practices involved in recording financial transactions, and moves learners on to look at management decision-making in a business context.

You should, therefore, make your learners aware of the main management functions; such as planning, controlling, coordinating and monitoring; and how these different functions are applied to the financial management function.

Management decision-making involves taking risks and engaging with stakeholders, so that they are aware and, in some instances, involved with the decisions made by strategic managers within the business. The role of stakeholders in the decision-making process is integral to this unit.

This unit is closely linked with the material covered in those units in this short-course programme that focus on the business decisions associated with the management accounting function. The unit, therefore, introduces the learner to the role of the management accountant by considering management accounting techniques and planning models, such as investment appraisal and break-even analysis.

Finally, your learners need to understand that all business decisions have consequences – either positive or negative – for the business. The unit, therefore, introduces learners to ratio analysis as a means of measuring a business's performance relative to that of other similar businesses. You may consider it appropriate to schedule Unit 4: Financial Statements and Reporting to be the final unit in the programme since, in this unit, learners will analyse the outcome of financial decisions on business performance.

Figure 2 shows the link between this unit and the other units that make up the Accounting and Finance short-course programme.

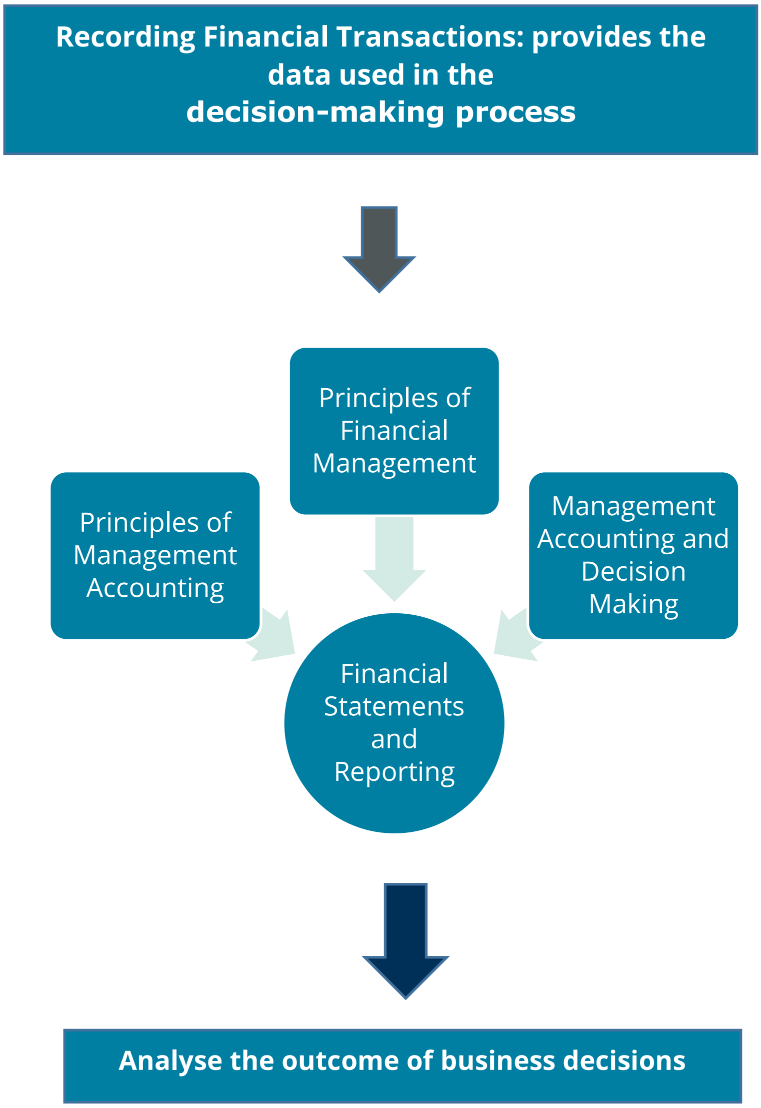

Figure 2 Unit links in the Accounting and Finance short-course programme

Assessment model

Learning aim	Key content areas	Recommended assessment approach
A Understand different financial management approaches to support effective decision-making	• Knowledge-based approach • Formal vs informal approaches • The role of stakeholders in decision-making • 'Make or buy' decisions • Limiting factor analysis • Key factor analysis	Produce a formal business report focusing on the relationship between between the financial management, financial decision-making and long-term financial stability in a given scenario.
C Understand financial management principles used to support effective financial strategies	• Setting objectives to achieve financial goals • Ethical financial management • Maximising shareholder wealth • Delivering sustainable long-term growth	
D Understand the role of management accountants and accounting control systems	• Key functions of a management accountant • Financial management systems • Cost control and effective financial planning • Internal and external controls • Using financial management to detect and prevent fraud	

Learning aim	Key content areas	Recommended assessment approach
B Understand how financial decision-making supports sustainable performance	• Using information from financial ratios to inform decisions • Using investment appraisal to inform decisions • Appreciate the value of cash flow statements, trial balances and break even to financial decision-making	Formal presentation on the benefits of an integrated financial management system.

Assessment guidance

This unit will be assessed through two tasks.

Task 1 requires learners to produce a research informed report that focuses on the relationship between the approaches to financial management, financial decision-making and long-term financial stability in a given scenario.

Task 2 builds on the findings from Task 1 and requires learners to prepare and deliver a formal presentation, using appropriate presentation software. The learner will be required to present a case for the introduction of an integrated financial management system that employs management accountants operating within an integrated financial management system.

Getting started

This gives you a starting place for one way of delivering the unit.

Unit 2: Principles of Financial Management
Introduction Your learners need to understand the differences between financial accounting and management accounting, since both these different elements of the accounting function are covered in this unit. Your learners should understand that financial management is primarily concerned with analysing historical financial performance data to assess a business's performance, and then using this analysis to inform future management decisions. Management accounting, on the other hand, analyses projections of future or predicted costs and revenue streams to inform management decisions. Most financial decisions are likely to involve an element of both financial management and management accounting and your learners must become familiar with the techniques used in both these specialist areas of the accounting function. It is good practice to use the experience of your learners to identify how they apply financial accounting data and management accounting data in their own work roles, in order to identify how decisions are arrived at in their own business organisations.
Learning aim A: Understand different financial management approaches to support effective decision-making
In reviewing the experience of your learners in the decision-making process, you are likely to find examples of different approaches to the decision-making process. Some of your learners may work in businesses that have a highly structured approach to decision making, based on formal processes and structures, while others may be employed in a working environment in which business decisions are less formal and rely instead on informal networks and unwritten rules. Organisational culture – 'the way things are done around here' – will largely determine the approach taken to organisational decision-making. Regardless of how decisions are made, access to reliable, up-to-date and relevant financial management information is of vital importance in the decision-making process. Management information is directly linked to the business's risk management strategy, since access to high quality management information allows the business to identify, assess, monitor and control business risks, resulting in the potential for higher financial returns and improved business performance. In this learning aim, learners should cover the following aspects:

- The approaches to decision making:
  - the characteristics of formal and informal decision-making processes
  - stakeholder engagement strategies in the decision-making process.
- Learners will be introduced to some of the techniques used when making business decisions. Learners must understand the analysis that must be undertaken to determine whether a business should produce all the parts used within a process or buy in parts from a supplier. Learners must also appreciate that despite their best intentions, as a result of capacity issues within the business, it might not be possible to follow through particular decisions. Hence this unit covers the following aspects:
  - 'make or buy' decisions
  - limiting factor analysis.

Learning aim C – Understand financial management principles used to support effective financial strategies.

Planning is a central feature of strategic management and involves the setting of long-term business objectives. Long-term objectives are supported by short- and medium-term operational plans linked to SMART (Specific, Measurable, Achievable, Realistic and Time bound) operational targets. Learners must appreciate the difference between the time horizons of different types of objectives and their contribution to the overall success of the business.

It is also important for learners that a successful business is based upon delivering sustainable long-term growth and that sometimes it may be best to forgo short-term, unsustainable growth, for a more considered long-term strategy. The challenge is to convince shareholders of the appropriateness of such a strategy, particularly if the priority of the majority of shareholders is to maximise short-term returns on their investment.

In delivering this unit you, must therefore focus your teaching on:

- Setting financial objectives
- Evaluating those strategies aimed at increasing shareholder value and wealth
- Analysing how to generate sustainable long-term growth

Learning aim D – Understand the role of management accountants and accounting control systems.

In your introduction to this unit, you will have covered the difference between financial management and management account and in this part of the programme; you will introduce the role of management accounts in respect of the control function and its link with financial accounting.
 	
In doing so you will cover the following key teaching points
● The functions of the management accountant
  ○ Explain to the learners that these functions will be expanded upon in two other units which make up this short course programme
● The importance of cost control
  ○ Cost control is important in securing long-term sustainable business growth by focussing management decisions on aspects such as efficiency, revenue streams and liquidity
● Learners must also be aware of the role of financial management in the control of business operations and processes in order to prevent fraud. In this context your learners must be made aware of:
  ○ The functions, role and purpose of the different audit regimes – internal audit and external audit – and how the outcome of these audits can impact upon short-term operational management as well as contributing to the business's long-term objectives

Learning aim B – Understand how financial decision-making supports sustainable performance

This section of the unit will involve learners in using the financial data used in both financial management and management accounting so that they gain experience of how each branch of the accounting function contributes in practical terms to decisions made by the business. Learners should be made aware that these techniques will form the basis of other specialist units within this short course programme.
 	
In respect of the two accounting functions the following areas should be covered in your teaching programme:
● Financial management
  ○ Learners should use ratio analysis to calculate measures of profitability, efficiency and liquidity; cash flow statements and trial balances
● Management accounting
  ○ Investment appraisal
  ○ Break-even

Details of links to other BTEC units and qualifications

This unit links with all the units within the Accounting and Finance short-course programme.

Resources

Textbooks

Aerts, W. and Walton, P. *Global Financial Accounting and Reporting: Principles and Analysis,* Cengage Learning EMEA (2013), ISBN-13: 978-1408062869.

Atrill, P. *Financial Management for Decision Makers*, Trans-Atlantic Publications (2014), ISBN-13 978-1292016061.

Cornwall, J. R., Vang, D. O. and Hartman, J.M. *Entrepreneurial Financial Management: an applied approach*, M.E. Sharpe (2012), ISBN-13: 978-0765627261.

Weetman, P. *Financial and Management Accounting: An Introduction*, Pearson Education (2013) ISBN-13: 9780273789215.

Journals

European Financial Management
International Journal of Financial Management & Accounting
Journal of Multinational Financial Management

Pearson is not responsible for the content of any external internet sites. It is essential for teachers to preview each website before using it in class so as to ensure that the URL is still accurate, relevant and appropriate. We suggest that teachers bookmark useful websites and consider enabling learners to access them through the school/college intranet

Scheme of work

Unit title	Principles of Financial Management
Guided learning hours	60
Number of lessons	20
Duration of lessons	3 hours
Links to other units	All units

Key to learning opportunities			
AW	Assignment Writing	**RS**	Revision Session
GS	Guest Speaker	**V**	Visit
IS	Independent Study	**WE**	Work Experience

#	Topic	Lesson type	Suggested activities	Classroom resources
1	Financial management principles and strategies	Teacher-led and IS	**Lead in:** introduce the role of financial management, the unit content and assessment. **Teacher-led presentation:** formal and informal approaches to decision making. **Teacher-led discussion:** decision-making, management styles and organisational culture, and the relationship between these elements and business decision-making.	Unit specification Whiteboard and pens Presentation notes Activity sheets to evaluate decision-making processes Case studies of decision making within organisations

#	Topic	Lesson type	Suggested activities	Classroom resources
			Paired activity: Case study to compare and contrast quantitative/qualitative (knowledge-based) and formal vs informal approaches to decision-making. **Individual learner activity:** complete comparative case study of own organisation with another business organisation. **Plenary session:** confirm the main learning points identified in the lesson.	Computers with internet access
2	Decision-making approaches	Teacher-led and IS	**Lead in:** overview of the previous lesson. **Teacher-led presentation:** the importance of decision making and making financial decisions, formal vs informal approach, the knowledge-based approach to decision making. **Paired activity:** consider the factors that might contribute to making a financial decision in an organisation. **Teacher-led discussion:** the advantages and disadvantages of the knowledge-based decision-making model. **Paired activity:** compare and contrast quantitative/qualitative and formal/informal approaches to decision making. Using case studies from the media, identify an example of a financial decision made by an organisation and suggest the factors that may have contributed to it. **Individual learner activity:** write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheets to evaluate decision-making processes Case studies of decision making within organisations Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
3	Formal and informal approaches	Teacher-led and IS	**Lead in:** overview of the previous lesson, using questions and answers to confirm learners' understanding. **Teacher-led presentation:** formal and informal approaches to decision making. **Teacher-led discussion:** the advantages and disadvantages of formal and informal approaches to decision making. **Teacher-led presentation:** decision making and the financial, legal and reputational risk to the business. **Paired activity:** identify the business risks associated with the different decisions made by a business, using a case study. **Individual learner activity:** write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of decision making within organisations Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
4	The role of stakeholders in decision-making	IS	**Lead in:** overview of the previous lesson. **Teacher-led presentation:** stakeholders and the need for financial information. Introduce the flow of transactions, books of accounts and the dual effect of transactions. **Paired activity:** identify and list a range of internal and external stakeholders of a given organisation. **Teacher-led discussion:** the competing needs and interests of different stakeholders. **Small group activity:** analyse the requirements of the stakeholders identified above and their role in financial decision making. **Paired activity:** identify the needs and interests of a specific stakeholder group in relation to a decision made by an organisation, based on an allocated case study. **Teacher-led discussion:** ask each pair to report their findings back to the rest of the group. **Individual learner activity:** write up notes. Write a report on the needs and interests of the stakeholder group in the case study above, and evaluate the relative power and influence of different stakeholder groups. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case study of specific stakeholders in relation to their information needs in business decisions Activity sheet case study for stakeholder analysis Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
5	Make or buy and limiting factors	Teacher-led and IS	**Lead in:** overview of the previous lesson. **Teacher-led presentation:** 'make or buy' decision-making, including its definition, limitations and worked examples. **Small group activity:** consider the factors that might impact an organisation's decision to make or buy including evaluating the factors that might limit an organisation's production capacity. Using the organisation chosen from last week's exercise, to identify examples of where it opted to make in-house or to buy externally, and also any factors that might limit its ability to maximise production. **Individual learner activity:** work through a set of exercises relating to decisions on whether to make or buy, giving the rationale for the decision. Write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheet for 'make or buy' exercises Template for learners to record their research outcomes Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
6	Organisational objectives and ethical decision-making	Teacher-led and IS	**Lead in:** overview of the previous lesson. **Teacher-led presentation:** ethical considerations for employers, including the concept of business ethics, issues and challenges, examples of the types of goal that organisations might set. **Individual learner activity:** find further examples of the types of short-, medium- and long-term goals that organisations might set. **Teacher-led discussion:** define and evaluate examples of the ethical decision-making used by organisations. **Paired activity:** find evidence, from a case study about ethical decision-making, of where organisations have not made ethical decisions. Present feedback to the rest of the group. **Teacher-led discussion:** the business risks associated with unethical decisions. **Paired activity:** research professional business ethics from the perspective of an accountant, including professional body codes of conduct and ethical behaviour. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of private sector business organisations Template for learners to record their research outcomes Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
7	Shareholder wealth and sustainable growth	Teacher-led and IS	**Lead in:** overview of the previous lesson. **Teacher-led presentation:** shareholders' roles and responsibilities, including: • strategies for increasing the wealth of shareholders • how shareholders can influence business objectives, strategy and ethical considerations • defining and assessing the contributory factors to sustainable long-term growth. **Small group activity:** discuss and analyse the possible constraints on maximising shareholder wealth and the potential impact if this is not achieved. **Paired activity:** demonstrate, using a case study, shareholders' influence on organisations. **Teacher-led discussion:** possible constraints on maximising shareholder wealth and the potential impact if this is not achieved. **Individual learner activity**: investigate further the impact of unethical decisions on an organisation's shareholders. **Plenary session: c**onfirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of private sector organisations Template for learners to record their research outcomes Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
8	Setting financial objectives and goals	Teacher-led and IS	**Lead in:** overview of the previous lesson. **Teacher-led presentation:** SMART target setting. **Paired activity:** identify the characteristics of effective financial planning and set SMART targets for specific financial goals, using case studies. **Teacher-led discussion:** ask learners to share the outcome of the paired activity. **Teacher-led presentation:** how to prepare, manage and cost budgets, and the different approaches to budget-setting, including historical budgeting and zero-based budgeting, using case studies. **Individual learner activity:** complete exercises on budget setting. **Teacher-led class discussion:** behavioural factors affecting the budgeting process. **Individual learner activity:** complete a financial goal worksheet for a small business and create a SMART action plan. Write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes and slides Case studies Activity sheets for SMART financial targets Activity sheet to identify the characteristics of effective financial planning Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
9	Management accounting and financial systems	Teacher-led and IS	**Lead in:** overview of the previous lesson. **Teacher–led presentation:** the role of management accounting, to include the differences between financial accounting and management accounting, the differences between cost accounting and management accounting. **Paired activity:** evaluate the key functions of a management accountant and discuss how management accounting contributes towards effective decision making. **Teacher-led discussion:** how to prioritise activities that may contribute to effective decision making. **Paired activity:** find two job vacancies in different sectors for management accountants and financial accountants. Compare and contrast the job functions and explain how the competencies and skills required might help the organisation with effective decision-making. **Individual learner activity:** write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit pecification Whiteboard and pens Presentation notes Case studies of financial systems Activity sheets for management accounting and decision making Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
10	Financial systems	IS	**Lead in:** overview of previous lesson **Teacher-led presentation:** the definition of financial systems, and use of new and advanced technology. **Teacher-led discussion:** the impact of new technology on financial systems and how to prioritise activities that may contribute to effective financial management. **Individual learner activity:** using a case study, research the financial systems used in organisations (including your own organisation). Write up notes and add to glossary of key terms. Evaluate the impact of technology on the financial management function of a sole trader. **Plenary session:** to confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of financial systems Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
11	Recap of Learning aims A and C	Teacher-led and IS	**Lead in:** recap of Learning aims A and C content. **Individual learner activity:** complete case study exercises for Learning aim A. **Group activity:** in-class test on the Learning aim A, peer-marked, with feedback about the most common faults and incorrect answers. **Teacher-led presentation:** work through the main issues and difficulties drawn from the case study exercises. **Individual learner activity:** write up notes and correct any errors in the case study exercises. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens In-class quizzes or tests to cover Learning aims A and C Assessment recording documentation

#	Topic	Lesson type	Suggested activities	Classroom resources
12	Cost control and financial planning (part 1)	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** cost management and the role of accounting. Cost reports, budgeting and monitoring expenditure, and strategic cost control. **Small group activity:** consider the types of decisions that cost control information influences/contributes to. **Individual learner activity:** using a case study, evaluate the significance of internal and external cost controls in an organisation. **Teacher-led discussion:** the characteristics and benefits of cost management. **Individual learner activity:** write up notes and add to glossary of key terms. Evaluate the significance of internal and external costs controls in an organisation (could use own organisation). **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of financial systems Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
13	Cost control and financial planning (part 2)	IS	**Lead in:** overview of previous lesson, using questions and answers to confirm learners' understanding. **Teacher-led discussion:** the methods of monitoring and controlling expenditure, the policies and procedures for controlling fraud, and individual responsibilities and professional behaviour. **Teacher-led discussion:** ask learners to brainstorm the definition of fraud, and to suggest methods that may contribute to fraud detection and prevention. **Individual learner activity:** using a case study, research two examples of financial fraud, and the consequences. Make suggestions as to how these cases might have been detected and prevented. **Paired activity:** compare and contrast the fraud prevention systems used in organisations (including your own organisation). **Teacher-led class discussion:** the characteristics of fraud prevention systems. **Individual learner activity:** write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of preventative measures to combat fraud Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
14	Assignment workshop	AW/IS	**Lead in:** review of learner progress with the assignment. **Teacher-led discussion:** address general queries and concerns, both group and individual, about assignment requirements. **Individual learner activity:** complete work on the assignment brief. **Teacher activity:** provide tutorial support to individual learners, including formative assessment feedback. **Plenary session:** confirm the main learning points identified in the lesson.	
15	The use of financial ratios in decision-making (part 1)	Teacher-led and IS	**Teacher-led presentation:** different types of financial ratios for decision-making – profitability, efficiency, liquidity and solvency. **Paired activity:** evaluate a range of financial ratios and identify which types of financial decisions they might help to inform. **Individual learner activity:** calculate financial ratios from given data sets, and the implications for the business. **Teacher-led discussion:** the limitations of financial ratio analysis. **Individual learner activity:** undertake a comparative case study of two different businesses, to compare performance. Make recommendations regarding the actions a business could take to make a positive impact on its financial ratios. Write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of financial systems Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
16	The use of financial ratios in decision-making (part 2)	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** the correlation between financial statement analysis ratios and the basic criterion of good business. **Individual learner activity:** using given data sets for the final accounts for an organisation, calculate the financial ratios for gross and net profit margins, return on capital employed (ROCE), acid test ratio and gearing; and the implications for the business. **Paired activity:** undertake a case study to compare the performance of two different organisations. **Teacher-led discussion:** the limitations of financial ratio analysis; and which organisations learners feel are in a better financial position, and why. **Individual learner activity:** write up notes and add to glossary of key terms. Make recommendations regarding the actions a business could take to make a positive impact on its financial ratios. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of financial systems Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
17	Techniques to inform decisions (part 1)	Teacher-led and IS	**Lead in:** overview of previous session. **Teacher-led presentation:** introduce the techniques that inform decisions specifically related to investment appraisal techniques, including net present value (NPV), return on investment (ROI) etc. **Individual learner activity:** carry out a range of investment appraisal calculations from given data, and to evaluate their usefulness for decision-making for maximising ROI. **Teacher-led presentation:** break-even analysis. **Individual learner activity:** manipulate costs revenue (based on unit price changes) to determine different break-even points. **Teacher-led discussion:** the contribution of break-even analysis to business decision-making. **Individual learner activity:** evaluate the output from break-even analysis and cash flow statements as a basis for decision making. Write up notes and add to glossary of key terms. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Activity sheets for investment appraisal and break-even analysis Computers with internet access

#	Topic	Lesson type	Suggested activities	Classroom resources
18	Techniques to inform decisions (part 2)	Teacher-led and IS	**Lead in:** overview of previous session. **Teacher-led presentation:** the differences between net present value (NPV) and internal rate of return (IRR). **Group activity:** research the use of NPV/ IRR for making investment decisions. Present feedback to the rest of the class. **Paired activity:** use given scenarios from case studies for applying and calculating NPV and IRR to make business decisions. **Individual learner activity:** write up notes. Undertake an analysis of financial data to identify the actions a business can take to address performance issues and drive forward its strategic objectives. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Case studies of financial systems Computers with internet access
19	Assignment workshop	AW	**Lead in:** review of learner progress on the assignment. **Teacher-led discussion:** assignment requirements, address general queries, both group and individual. Review the academic requirements of the assignment and submission format. **Individual learner activity:** complete and submit assignment.	Unit specification Whiteboard and pens Assessment

#	Topic	Lesson type	Suggested activities	Classroom resources
20	Summary	AW	**Lead-in:** hand out marked assignments, submitted at the end of the previous lesson. Identify best practice points and address any common learner errors and presentation issues. **Teacher-led presentation:** go through each individual task in the assignment brief to highlight the key points required in each task and identify key learning points. Discuss with learners those areas that they found the most difficult. **Review of the unit:** lead a discussion to obtain learners' feedback on the positive aspects of the course, including key learning points; topics they found difficult; suggested improvements to the unit, such as the pace of lessons, access to teacher support, quality of resources, assignment deadlines. **Individual learner activity:** write up notes and complete the glossary of key terms. Prepare an action plan, identifying areas of weakness in the subject matter and the support required to improve performance.	Unit specification Whiteboard and pens Teacher presentation slides and notes Unit review template

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	1 (180 minutes)

Lesson objectives	Learners must be able to: • explain the difference between formal approaches to decision-making • evaluate the advantages and disadvantages of formal and informal approaches to decision making in a range of different business contexts.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies of decision-making in organisations • **AS:** Evaluate the effectiveness of different decision-making processes
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** introduce the role of financial management, the unit content and assessment.
Main activities (150 minutes)	**Teacher-led presentation:** formal and informal approaches to decision making. **Teacher-led discussion:** decision-making, management styles and organisational culture, and the relationship between these elements and business decision-making. **Paired activity:** compare and contrast quantitative/qualitative and formal/informal approaches to decision-making. **Individual learner activity:** comparative case study of own organisation with another business organisation
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes. • the advantages and disadvantages of formal and informal approaches to decision-making.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	2 (180 minutes)

Lesson objectives	Learners must be able to: • explain the different types of decision-making processes used in organisations • evaluate different decision-making processes.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies of decision-making in organisations • **AS:** Evaluate the effectiveness of different decision-making processes
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** provide an overview of the previous lesson.
Main activities (150 minutes)	**Teacher-led presentation:** • the importance of decision making and making financial decisions • the knowledge-based approach to decision making. **Paired activity:** • compare and contrast quantitative/qualitative and formal/informal approaches to decision making • using a case study approach from the media, identify an example of a financial decision made by an organisation and suggest the factors that may have contributed to it. **Individual learner activity:** write up notes.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	3 (180 minutes)

Lesson objectives	Learners must be able to: • explain the different types of decision-making processes used in organisations • evaluate different decision-making processes.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies of decision-making in organisations • **AS:** Evaluate the effectiveness of different decision-making processes
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	**Teaching notes**
Starter activity (10 minutes)	**Lead-in:** recap the main points covered in the previous session, using questions and answers to confirm learners' understanding.
Main activities (150 minutes)	**Teacher-led presentation:** the different approaches, formal and informal, to decision making. **Teacher-led discussion:** the advantages and disadvantages of formal and informal approaches to decision-making. **Teacher-led presentation:** decision-making and the financial, legal and reputational risks to the business. **Paired activity:** identify the business risks associated with different decisions made by a business, using a case study.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • Formative assessment – explain the advantages and disadvantages of different approaches of formal and informal approaches to decision-making in relation to different types of business risks.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	4 (180 minutes)

Lesson objectives	Learners must be able to: • explain the needs and interests of different stakeholder groups • explain the financial information required by different stakeholder groups • analyse the competing interests of different stakeholder groups • evaluate the power and influence of different stakeholder groups in specific contexts.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case study of specific stakeholders in relation to their information needs in business decisions • **AS:** Stakeholder analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** stakeholders and their need for financial information. Introduce the flow of transactions, books of accounts and the dual effect of transactions. **Paired activity:** identify and list a range of internal and external stakeholders of a given organisation and the financial information required by each stakeholder group. **Teacher-led discussion:** the competing needs and interests of different stakeholder groups. **Small group activity:** analyse the requirements of the stakeholders identified above and their role in an organisation's financial decision making. **Paired activity:** identify the needs and interests of a specific stakeholder group in relation to a decision made by an organisation, e.g. relocation of a factory site, merger with a competitor or the development of a new product, based on an allocated case study. **Teacher-led discussion:** ask each pair to report their findings to the rest of the group.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • write a report, based on the case study of stakeholder group needs and interests, and evaluate the relative power and influence of different stakeholder groups.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	5 (180 minutes)

Lesson objectives	Learners must be able to: • explain the nature of 'make or buy' decisions • use financial management techniques to determine a 'make or buy' decision.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Learners confirm the outcome of their research • **AS:** 'Make or buy' exercises
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** 'make or buy' decision-making, including its definition and limitations, giving worked examples. **Small group activity:** consider the factors that might impact on an organisation's decision to make or buy, including: • evaluating the factors that might limit an organisation's production capacity • using the organisation chosen from last week's exercise to identify examples of where it opted to make in-house or to buy externally, and also any factors that might limit its ability to maximise production. **Individual learner activity:** work through a set of exercises relating to decisions on whether to make or buy, giving the rationale for the decision.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • complete exercises relating to decisions on whether to make or buy.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	6 (180 minutes)

Lesson objectives	Learners must be able to: • explain what is meant by business ethics and ethical decisions • analyse the impact of unethical decisions on different stakeholder groups.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Learners confirm the outcome of their research • **AS:** Case studies of private sector business organisations
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** ethical considerations for employers, including: • the concept of business ethics • issues and challenges • examples of the types of short-, medium- and long-term goals that organisations might set. **Paired activity:** find evidence, from a case study about ethical decision-making, where organisations have not made ethical decisions. Present feedback to the rest of the group. **Teacher-led discussion:** the business risks associated with unethical decisions. **Paired activity:** research professional business ethics from the perspective of an accountant, including professional body codes of conduct and ethical behaviour.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	7 (180 minutes)

Lesson objectives	Learners must be able to: • evaluate the influence of shareholders on business decisions and strategy • analyse how shareholder wealth can be increased.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Learners confirm the outcome of their research • **AS:** Case studies of private sector business organisations
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identifies good practice points and addresses any issues and problems encountered.
Main activities (150 minutes)	**Teacher-led presentation:** shareholders' roles and responsibilities, including: • strategies for increasing the wealth of shareholders • how shareholders can influence business objectives, strategy and ethical considerations. **Small group activity:** discuss and analyse the possible constraints on maximising shareholder wealth and the potential impact if this is not achieved. **Paired activity**: demonstrate, using a case study, shareholders' influence on organisations. **Teacher-led discussion:** the possible constraints on maximising shareholder wealth, and the potential impact if this is not achieved.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • Formative assessment: investigate further the impact of unethical decisions on an organisation and its shareholders.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	8 (180 minutes)

Lesson objectives	Learners must be able to: • identify the requirement for effective financial planning • analyse the risks involved in financial planning • evaluate the ways in which business risks can be reduced in the financial planning process • set SMART financial targets in different organisational contexts.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Set SMART financial targets • **AS:** Identify characteristics of effective financial planning
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** SMART target setting. **Paired activity:** • identify the characteristics of effective financial planning in relation to specific business contexts, e.g. marketing a new product; efficiency saving and cost control measures (e.g. costs; revenue; profitability). • set SMART targets for specific financial goals. **Teacher-led class discussion:** ask learners to share the outcome of the paired activity. **Teacher-led presentation:** how to prepare, manage and cost budgets and the different approaches to budget-setting, including historical budgeting and zero-based budgeting. **Individual learner activity:** complete exercises on budget-setting. **Teacher-led class discussion:** behavioural factors affecting the budgeting process.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • complete a financial goal worksheet for a small business, and to create a SMART action plan.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	9 (180 minutes)

Lesson objectives	Learners must be able to: • explain the role of the management accountant • explain the difference between management accounting, financial accounting and cost accounting.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case study of job roles
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** the role of the management accountant, to include: • the differences between financial accounting and management accounting • the difference between cost accounting and management accounting. **Paired activity:** evaluate the key functions of a management accountant and discuss how management accounting contributes towards effective decision making. **Teacher-led discussion:** how to prioritise activities that may contribute to effective financial management. **Paired activity:** find two job vacancies in different sectors for management accountants and financial accountants. Compare and contrast the job functions and explain how the competencies and skills required might help the organisation with effective decision making.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** write up notes.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	10 (180 minutes)

Lesson objectives	Learners must be able to: • evaluate the factors that influence effective financial management • describe the features and characteristics of financial systems • evaluate the impact of technology on the development of financial systems.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies of financial systems
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** the definition of financial systems and the use of new and advanced technology. **Teacher-led discussion:** the impact of new technology on financial systems and how to prioritise activities that may contribute to effective financial management. **Paired activity:** using a case study, research the financial systems used in organisations (including your own organisation).
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • evaluate the impact of technology on the financial management function of a sole trader.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	11 (180 minutes)

Lesson objectives	Learners must be able to: • complete a series of tasks drawn from case studies focused on Learning aim 1.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies focusing on Learning aim A
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Individual learner activity:** complete case study exercises for Learning aim A. **Group activity:** in-class test on Learning aim A, followed by peer marking. Volunteers go through worked tasks on the whiteboard, while you identify any emerging common issues and difficulties. **Teacher-led presentation:** work through the main issues and difficulties drawn from the case study exercises.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • correct any errors in the case study exercises completed during the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	12 (180 minutes)

Lesson objectives	Learners must be able to: • understand the benefits of budgeting to a business • understand how budgeting improves financial planning and cost control in a business.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies of budget planning, monitoring and control
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** • cost management and the role of accounting • cost reports, budgeting and monitoring expenditure, and strategic cost control. **Small group activity:** consider the types of decisions that cost control information influences/contribute to (tactical, operational, strategic). **Individual learner activity:** using a case study, research the cost control systems used in organisations (including your own organisation). **Teacher-led discussion:** the characteristics and benefits of cost management.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity**: • write up notes and add to the glossary of key terms • evaluate the significance of internal and external cost controls in an organisation (or in your own organisation).

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	13 (180 minutes)

Lesson objectives	Learners must be able to: • understand the methods of fraud detection and prevention.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies of preventative measures to combat fraud
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and addresses any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** the methods of monitoring and controlling expenditure, the policies and procedures for controlling fraud, and individual responsibilities and professional behaviour. **Teacher-led class discussion:** ask learners to brainstorm the definition of fraud, and to suggest methods that may contribute to fraud detection and prevention. **Individual learner activity:** using a case study, research two examples of financial fraud, and the consequences. Make suggestions about how these cases might have been detected and prevented. **Paired activity:** compare and contrast the fraud prevention systems used in organisations (including your own organisation). **Teacher-led class discussion:** the characteristics of fraud prevention systems.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • Formative assessment: case study on fraud prevention.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	14 (180 minutes)

Lesson objectives	Learners must be able to: • work through the individual tasks in the assessment.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** review learners' progress with the assessment.
Main activities (150 minutes)	**Teacher-led discussion:** address general queries and concerns, both group and individual about assignment requirements and submission format. **Individual learner activity**: complete work on the assessment. **Teacher activity:** provide tutorial support to individual learners, including formative assessment feedback.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	15 (180 minutes)

Lesson objectives	Learners must be able to: • explain how different financial ratios can be used in the decision-making process • calculate financial ratios • evaluate the performance of different businesses using financial ratios.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Ratio analysis calculations • **AS:** Comparative analysis of business performance, using ratio analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** different types of financial ratios and their use in business decision-making – profitability, efficiency, liquidity and solvency. **Paired activity:** identify financial ratios, and which types of financial decisions they might help to inform. **Individual learner activity:** calculate financial ratios from given data sets, and the implications for the business. **Teacher-led discussion:** the limitations of financial ratio analysis. **Individual learner activity:** undertake a comparative case study of two different businesses, to compare performance.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • make recommendations regarding the actions a business could take to make a positive impact on its financial ratios.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	16 (180 minutes)

Lesson objectives	Learners must be able to: • explain how different financial ratios can be used in the decision-making process • explain the limitations of ratio analysis • calculate financial ratios • evaluate the performance of different businesses using financial ratios.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Ratio analysis calculations • **AS:** Comparative analysis of business performance, using ratio analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

<table>
<tr><th>Activities</th><th>Teaching notes</th></tr>
<tr><td>Starter activity

(10 minutes)</td><td>Lead-in: ask learners to present their responses to the homework activities set at the end of the previous lesson.

Identify good practice points and address any issues and problems that learners encountered.</td></tr>
<tr><td>Main activities

(150 minutes)</td><td>Teacher-led presentation: the correlation between financial statement analysis ratios and the basic criterion of good business.

Individual learner activity: using given data sets for the final accounts for an organisation, calculate financial ratios for:
• gross and net profit margins
• return on capital employed (ROCE)
• acid test ratio
• gearing.

What are the implications for the business?

Paired activity: undertake a case study to compare the performance of two different organisations.

Teacher-led discussion: the limitations of financial ratio analysis; and which organisations learners feel are in a better financial position, and why.</td></tr>
<tr><td>Concluding activity

(20 minutes)</td><td>Plenary session: confirm the main learning points identified in the lesson.</td></tr>
<tr><td>Private study/homework</td><td>Individual learner activity:
• write up notes and add to the glossary of key terms
• make recommendations regarding the actions a business could take to make a positive impact on its financial ratios.</td></tr>
</table>

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	17 (180 minutes)

Lesson objectives	Learners must be able to: • apply different investment appraisal methods to inform business decision-making • complete a break-even analysis chart from given data • apply accounting tools to the decision-making process.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Investment appraisal • **AS:** Break-even analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** introduce the techniques that inform decisions specifically related to investment appraisal techniques, including net present value (NPV), return on investment (ROI), etc. **Individual learner activity:** carry out a range of investment appraisal calculations from given data, and to evaluate their usefulness for decision-making for maximising ROI. **Teacher-led presentation**: break-even analysis. **Individual learner activity:** manipulate costs revenue (based on unit price changes) to determine different break-even points. **Teacher-led discussion:** the contribution of break-even analysis to business decision-making.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • evaluate the output from break-even analysis and cash flow statements as a basis for decision-making.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	18 (180 minutes)

Lesson objectives	Learners must be able to: • apply different investment appraisal methods to inform business decision-making.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS**: Case studies Investment appraisal
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identifies good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** the differences between net present value (NPV) and internal rate of return (IRR). **Group activity:** research the use of NPV/ IRRfor making investment decisions. Each group to present theirfeedback. **Paired activity:** use given scenarios in case studies for applying and calculating NPV and IRR to make business decisions. **Small group work:** compare and contrast the business decisions drawn from the previous activity. **Teacher-led presentation:** summarise the use of ratio analysis, investment appraisal, and break-even as accounting tools in the decision-making process.
Concluding activity (20 minutes)	**Plenary** session: confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes • undertake an analysis of financial data to identify the actions a business can take to address performance issues and drive forward its strategic objectives.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	19 (180 minutes)

Lesson objectives	Learners must be able to: • complete all tasks contained in the assignment brief.

Resources checklist	• Unit specification • Whiteboard and pens • **AS:** Completion of assignment brief
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered. Check on learners' progress with the assignment and address any queries.
Main activities (150 minutes)	**Teacher-led discussion:** assignment requirements, addressing general queries and concerns, both group and individual, reviewing the academic requirements of the assignment and submission format. **Individual learner activity:** complete the assignment tasks. **Teacher activity:** provide individual general support, as required.
Concluding activity (20 minutes)	**Submission of completed assignment.**
Private study/homework	**Individual learner activity:** to write up notes and add to the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Lesson no	20 (180 minutes)

Lesson objectives	Learners must be able to: • identify the strengths and weaknesses of their submitted work • know the areas of improvement required in their own knowledge of the subject matter.

Resources checklist	Unit specification Whiteboard and pens **PS:** Teacher presentation slides and notes **TF:** Unit review template
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** hand out marked assignments, submitted at the end of the previous lesson. Identify best practice points and address any common learner errors and presentation issues.
Main activities (150 minutes)	**Teacher-led presentation:** go through each individual task in the assignment brief to: • highlight the key points required in each task • identify key learning points • discuss with learners those areas that they found the most difficult.
Concluding activity (20 minutes)	**Review of the unit:** lead a discussion to obtain learners' feedback on the positive aspects of the unit, including: • the key learning points • topics they found difficult • suggested improvements to the unit, such as the pace of lessons, access to teacher support, quality of resources, assignment deadlines.
Private study/homework	**Individual learner activity:** • write up notes and complete the glossary of key terms • prepare an action plan, identifying areas of weakness in the subject matter and the support required to improve performance.

Assignment brief

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Principles of Financial Management
Learning aim(s)	A Understand different financial management approaches to support effective decision-making B Understand how financial decision-making supports sustainable performance C Understand financial management principles used to support effective financial strategies D Understand the role of management accountants and accounting control systems
Assignment title	**Using Financial management to support business growth**
Assessor	
Issue date	
Hand-in deadline	

Vocational scenario or context	You are employed as a management consultant specialising in advising new and expanding businesses on how financial data is used to inform, support and drive business growth. You have been holding discussions with a business that achieved better than expected growth in its first few years of trading, but for the past two years its growth has been limited. Following a review of the business's most recent set of accounts, the owner of the business noticed that the financial position is strong – with an unexpected surplus of cash. The owner has decided to make use of this surplus to drive further growth. However, the owner is keen to ensure any decisions that are taken to develop a growth strategy are informed by a thorough understanding of the relationship between effective financial management and financial decision-making, as it is important that the business has long-term financial stability.

<table>
<tr><td></td><td>To financially support a growth strategy, the owner is considering establishing an integrated financial management system, which will include using your expertise in management accounting to build and oversee an accounting control system.</td></tr>
</table>

<table>
<tr><td>Task 1</td><td>The business owner has instructed you to produce a report that will help to establish the relationship between approaches to financial management, financial decision-making and long-term financial stability.

Your report is to include:
an overview of financial management, financial decision-making and long-term financial stability, as individual concepts
a comparison of financial management principles, which could be used by the business owner to support the growth strategy
an assessment of the use by organisations of formal and informal financial management approaches that support effective decision-making, and how this affects long-term financial stability.</td></tr>
<tr><td>Checklist of evidence required</td><td>The submission is to be in the form of an individual written report.

This should:
be written in a concise, formal business style, using single spacing and font size 12
use headings, paragraphs and subsections as appropriate
be supported with research, and referenced using an appropriate and recognised referencing system.
The report must have a minimum of 1500 words and a maximum of 2000 words.</td></tr>
</table>

Criteria covered by this task:	
Criterion reference	**To achieve the criterion you must show that you are able to:**
A.P1	Explain formal and informal financial management approaches which are used to support effective decision-making
A.P2	Evaluate how formal and informal financial management approaches are used to support effective decision-making in an organisational context
B.P1	Analyse how effective financial decision-making supports long-term financial sustainability
C.P1	Analyse the key financial management principles used by organisations to achieve effective financial strategies which support long-term financial sustainability

Task 2	Having considered your report, the business owner now appreciates the importance of financial management principles and approaches to effective financial decision-making. Before retaining your services to build and oversee an integrated financial management system, the business owner has asked you to make a presentation to the business' senior management team. The theme of the presentation is the value of management accounting and accounting control systems. You are to deliver a presentation that justifies why the owner should introduce management accounting and an accounting control system into the business as part of an integrated financial management system.
Checklist of evidence required	The submission is to be in the form of an individual presentation, using appropriate software, of no more than 10 minutes, with an additional five minutes allowed for questions. You are to submit a hard copy of the presentation slides and notes. The slides must use appropriate headings and be supported with research, which is referenced using an appropriate and recognised referencing system.

Criteria covered by this task:	
Criterion reference	**To achieve the criterion you must show that you are able to:**
D.P1	Evaluate the value of management accounting as a component of an integrated financial management system.
D.P2	Evaluate the purpose of an accounting control system as a component of an integrated financial management system.

Sources of information to support you with this assignment	**Textbooks** Aerts, W. and Walton, P. *Global Financial Accounting and Reporting: Principles and Analysis*, Cengage Learning EMEA (2013), ISBN-13: 978-1408062869. Atrill, P., *Financial Management for Decision Makers*, Trans-Atlantic Publications (2014), ISBN-13 978-1292016061. Cornwall, J. R., Vang, D. O. and Hartman, J.M. *Entrepreneurial Financial Management: an applied approach*, M.E. Sharpe (2012), ISBN-13: 978-0765627261. Weetman, P. *Financial and Management Accounting: An Introduction*, Pearson Education (2013) ISBN-13: 9780273789215. **Journals** *European Financial Management* *International Journal of Financial Management and Accounting* *Journal of Multinational Financial Management*
Other assessment materials attached to this assignment brief	None

Unit 3: Principles of Management Accounting

Delivery guidance

Most learners following this unit in accounting and finance will have come across the influence of management account processes in their work place. Those working in a manufacturing environment will certainly be aware of the different types of costs associated with the manufacturing process, along with the importance of inventory management.

However, even those learners with little or no experience of a manufacturing work environment will be familiar with the budget-setting and monitoring environment, and the importance of cost control. Those learners with budgetary responsibility will also be familiar with the basic principles of variance analysis and the actions required to address adverse variances.

When delivering this unit, it will be useful for learners to share their experience of management accounting in their own work settings. This will enable learners to become familiar with, for example, different systems for monitoring costs and budgets, along with the actions put in place by different businesses to address financial problems arising from increasing costs or falling revenues.

Learners should be given the opportunity to look at case studies of different businesses, in order to apply business models such as Porter's Five Forces analysis and draw conclusions about the strategic implications of their analysis on businesses operating in specific sectors of the economy.

Table 1 provides examples of some of the questions you could ask so that the learning aims covered in this unit more closely reflect the experience of your learners.

Unit theme	Learner experience
Management accounting systems	How are budgets set in your organisation? What responsibility do you have for setting and monitoring budgets in your organisation? What actions are taken to address adverse budget variances? Are you involved in making decisions in your organisation – operational or strategic? What information do you use to make decisions?
Management accounting techniques	What types of costs can you classify in your organisation? How are cost centres allocated in your organisation? How important is inventory control in your organisation?
Planning tools	What are the key strengths and weaknesses of your organisation? What are the important external influences on your organisation?
Financial problems	What are the main performance indicators used to assess the performance of your organisation? What experience have you had of dealing with financial problems in an organisation?

Table 1: Management accounting and the learner experience

Approaching the unit

As with the other units that deal with financial management and financial management reporting, this unit provides learners with the opportunity to apply management information techniques in a range of different decision-making contexts relating to prices, costs, budgets. Learners will be able to differentiate the management skills required in both short-term operational planning and long-term strategic planning.

The unit also introduces the role of a range of different business models used in the strategic planning process. For example, learners should become familiar with SWOT and PEST to analyse the internal and external environment, and be able to use Porter's Five Forces Analysis to assess the competitive forces in different types of markets.

Learners should be encouraged to identify the skills they need to acquire to undertake management accounting functions.

Learners should be encouraged to maintain an ongoing portfolio of evidence of the activities they complete, mapped against the skills they have used when completing these activities. This portfolio will contribute towards Learning aim D, which requires learners to identify the skill set of an effective management accountant. In addition, the management portfolio could be used to maintain an ongoing glossary of key financial terms

Table 2 presents an extract of a learner's management portfolio.

Management portfolio			
Date	**Task/Activity**	**Location**	**Skills**
1 June 20XX	Received monthly budget report from Finance Manager showing adverse variance for May 20XX **ACTION TAKEN:** Analyse monthly budget figures to identify any specific reasons for the adverse variance Prioritise actions to be taken Write action plan to send to Finance Manager Arrange to meet with Finance Manager to agree action plan	Work place	Analysing skills (analyse financial data) Prioritising skills (actions to be taken) Communication skills (written and oral)
GLOSSARY **Budget variance:** A budget variance is the difference between the budgeted costs or revenue and the actual amount. The budget variance is favourable when the actual revenue is higher than the budget, or when the actual cost is less than the budget.			

Table 2: Extract from a learner's management portfolio

Assessment model

Learning aim	Key content areas	Recommended assessment approach
A Understand management accounting systems	• Introduction to management accounting • Different types of management accounting systems • Presenting financial information	The analysis and interpretation of financial data to present a financial report to a business owner who is considering investment in a management accounting system
B Be able to apply a range of management accounting techniques	• Microeconomic techniques • Product costings • Cost of inventory	
C Understand how planning tools are used in management accounting	• Using budgets for planning and control • Pricing • Common costing systems • Strategic planning	
D Understand how organisations use management accounting to respond to financial problems	• Identifying financial problems • Financial governance • Management accounting skill sets • Effective strategies and systems	

Assessment guidance

This unit will be assessment through two tasks.

Task 1 requires learners to produce an income statement, using both absorption and marginal costing, and a set of statistics, using a given data set. The findings from these activities are used to interpret their meaning for the business.

Task 2 builds on the findings from task 1, where learners deliver a formal report that aims to persuade a business owner to introduce a management accounting system. The evaluation of planning tools stated in the brief must be accompanied by suitable examples.

Getting started

This gives you a starting place for one way of delivering the unit.

Unit 3: Principles of Management Accounting
Introduction This unit introduces learners to the various aspects of management accounting that they are likely to encounter in their working lives. The unit includes the application of knowledge to practical scenarios and introduces learners to the business models used in strategic planning. The unit provides the key knowledge and understanding of the role of cost accounting in business; costs relating to labour, material and overheads; marginal costing; coding systems and the role of management information systems in organisations. The unit will also introduce learners to the principle of decision making for management accounting.
Learning aim A – Understand management accounting systems
It would be useful to go over the differences between management accounting and financial accounting. If the learners have completed Unit 2: The Principles of Financial Management, this could provide the starting-off point in introducing this management accounting unit. If this is the case, you might wish the learners to attempt a definition of management accounting and, with it, the essential features of a management information system. The following aspects need to be covered: • an overview of the management accounting function and how it links in with the financial management accounting systems, both in terms of operational and strategic management decisions, including the measurement of business performance • the importance of costs control in business, with specific reference to inventory management systems.
Learning aim B – Be able to apply a range of management accounting techniques
An understanding of cost accounting is the foundation of management accounting and this part of the unit introduces learners to the principles of cost accounting. Learners must be able to distinguish between the various classifications of cost, in order to undertake calculations relating to the following: • cost-volume profit analysis (CVP analysis) • marginal and absorption costing • activity-based costing (ABC)   o inventory valuations – FIFO (first-in, first-out) and LIFO (last-in, last-out).

Unit 3: Principles of Management Accounting
Learning aim C – Understand how planning tools are used in management accounting
This part of the unit is likely to be the one with which learners are most familiar with particularly if they are junior or management positions. Even those learners who have yet to progress into these positions will understand the notion of budgets and why they must be monitored and controlled. This is, therefore, part of the unit where the experience of learners can confirm some of the key learning points. Learners could describe how budgets are set in their own organisations and the processes in place to monitor budgets, including the format of the regular management accounting monitoring reports sent to budget holders. This could then link into variance analysis and behaviour. By this stage in the unit (coupled with the knowledge gained from the other units that make up the short course) learners will be in a position to move on from cost accounting to management accounting, with specific reference to business decisions relating to strategic objectives and operational decisions to address financial problems. You should, therefore, focus on the following themes when designing your teaching programme: • how budgets are set, monitored and controlled • costing systems • how pricing decisions take account of market conditions • the use of business models in strategic planning decisions.
Learning aim D – Understand how organisations use management accounting to respond to financial problems
It can be a useful stimulus to use learners' own experiences for delivering this learning aim, as well as getting them to research case studies. Essentially, financial difficulties can be associated with either those factors that lead to a fall in revenue or those that are more concerned with increasing costs. In any event, many financial problems can be traced back either to poor decision-making or to poor management control. There are, of course, financial problems that arise because of factors beyond the control of the business – natural disasters or a change in government policy are two macro external factors that may have a negative effect specific businesses. Similarly, micro factors can have an effect on a business, such as the loss of a major supplier or the loss of a major contract. The important aspect to consider in this part of the unit is for the learner to have the opportunity to compare and contrast different strategies adopted by businesses to address financial problems.

Unit 3: Principles of Management Accounting
In covering this unit you will, therefore, need to consider: • the background and context of financial problems • strategies used to address financial problems • the responsibilities of financial governance • the management accounting skill set that can be called on to address financial problems.

Details of links to other BTEC units and qualifications

This unit links with all of the other units but is particularly relevant to the following units:

- Unit 1: Recording Financial Transactions
- Unit 2: Principles of Financial Management
- Unit 4: Management Accounting and Decision Making

Resources

Textbooks

Drury, C. *Cost and Management Accounting*, Ninth Edition, Cengage Learning EMEA (2015), ISBN-13: 9781473749054.

Edmonds, T.P., Olds, P.R. and Tsay, Bor-Yi, *Fundamental Managerial Accounting Concepts*, Seventh Edition, McGraw-Hill (2013), ISBN-13: 9780073527123.

Horngren, C., Sunden, G., Stratton, W., Burgstalher, D. and Schatzberg, J. *Introduction to Management Accounting*, Pearson Education (2013), ISBN-13: 9780133059748.

(This text is available electronically and is supported by access to an online course)

Seal, W., Rohde, C., Garrison, R.H. and Noreen, E. *Management Accounting*, Fifth Edition, McGraw-Hill Education (2014), ISBN-13 9780077157500.

Pearson is not responsible for the content of any external internet sites. It is essential for teachers to preview each website before using it in class so as to ensure that the URL is still accurate, relevant and appropriate. We suggest that teachers bookmark useful websites and consider enabling learners to access them through the school/college intranet.

Scheme of work

Unit title	Principles of Management Accounting
Guided learning hours	60
Number of lessons	20
Duration of lessons	3 hours
Links to other units	All units

Key to learning opportunities			
AW	Assignment Writing	**RS**	Revision Session
GS	Guest Speaker	**V**	Visit
IS	Independent Study	**WE**	Work Experience

#	Topic	Lesson type	Suggested activities	Classroom resources
1	Introduction to Management Accounting	Teacher-led and IS	**Teacher-led presentation:** introduce the unit content and assessment. **Paired activity:** define management accounting; comparing and contrasting the role of financial accounting and management accounting. **Teacher-led presentation:** the different types of management accounting systems, and their benefits. **Small group activity:** analyse the reasons for integrating a management accounting system.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Case study of management accounting systems

#	Topic	Lesson type	Suggested activities	Classroom resources
			Individual learner activity: write up notes and add to the glossary of key terms. **Plenary session:** confirm the main learning points identified in the lesson.	Activity sheets for financial and management accounting and for comparative study and evaluation
2	Explore a range of management accounting techniques	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** different types of management accounting systems and their benefits. **Paired activity:** using a case study, identify different applications of the range of management accounting systems. Research examples of at least two different management accounting systems and feedback findings to the rest of the group. **Teacher-led discussion:** evaluate the advantages and potential disadvantages of each management accounting system. **Individual learner activity:** write up notes. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Case study of management accounting systems Activity sheets for financial and management accounting and for comparative study and evaluation

#	Topic	Lesson type	Suggested activities	Classroom resources
3	Presenting financial information	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** the methods used for presenting financial information and the different types of managerial accounting reports. **Teacher-led discussion:** ask learners to brainstorm the characteristics of good and reliable data, and the features of quality financial information. **Small group activity:** list the possible effects of poor-quality financial information about an organisation. **Paired activity:** using case studies, identify the management information required in different decision-making scenarios. Examples could include: pricing policies, decisions to move into a new market, business growth, merger/takeover, restructuring. **Individual learner activity:** write up notes. Apply different methods of presenting financial information, using examples, and to evaluate each method. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Case studies on management information

#	Topic	Lesson type	Suggested activities	Classroom resources
4	Microeconomic techniques	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** introduce cost analysis, cost variances, and how to apply absorption and marginal costings, flexible budgeting and fixed budgeting. **Paired activity:** identify a range of different cost types from a given list. **Teacher-led discussion:** different cost analysis techniques and their implications for an organisation, including cost-volume profit, flexible budgeting and cost variances, and applying absorption and marginal costing. **Individual learner activity:** write up notes. Complete practice worksheets from given date to calculate cost variances and apply flexible budgeting techniques, stating the benefit over fixed budgeting. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Activity sheets for job costs and calculations using activity-based (ABC) costing Management accounting report

#	Topic	Lesson type	Suggested activities	Classroom resources
5	Product costings	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** introduce product costings and how to apply different costings in financial statements. **Paired-activity:** identify cost behaviour from a given list and to share responses with the rest of the class. **Small group activity:** discuss the role of costing and present findings to the other groups. **Teacher-led presentation:** the principles of activity-based costing (ABC costing), and a comparison with other costing methods. **Individual learner activity:** research real-life examples of where activity-based costing(ABC) has been used. Complete worksheets for calculations and review costings. **Class activity:** peer review each other's calculations, and demonstrate how to complete calculations. **Individual learner activity:** write up notes. Complete additional costings calculations. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Case studies with activity sheets for job costs and calculations using ABC costing method

#	Topic	Lesson type	Suggested activities	Classroom resources
6	Cost of inventory	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** introduce inventory management, and its effects on financial statements. **Paired activity:** case studies - categorise a range of examples of inventory (workin progress (WIP), part-finished and completed). Compare inventory systems in own organisations and feedback to rest of the class. **Teacher-led discussion:** based on feedback from paired activity, identify good and poor practices in inventory management. **Individual learner activity:** case studies - apply the main inventory valuation methods of LIFO, FIFO and AVCO. Complete inventory valuation exercises. **Individual learner activity:** write up notes and produce a report on the impact on financial statements of different inventory methods. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Case studies Activity sheets for inventory calculations

#	Topic	Lesson type	Suggested activities	Classroom resources
7	Case study workshop	Teacher-led and IS	**Lead-in:** present the case study and its requirements; clarify any issues raised by learners. **Individual learner activity:** commence work on the set case study. **Teacher support:** provide group and individual support.	Case study
8	Case study workshop - continued	Teacher-led and IS	**Individual learner activity:** complete work on the set case study **Group presentation:** responses to case study and outcomes from its completion. **Teacher-led presentation:** provide answers to the set case study; identify common errors and good practice points. **Plenary session:** confirm learners' knowledge and understanding of the subject matter covered in the set case study.	Case study

#	Topic	Lesson type	Suggested activities	Classroom resources
9	Use of budgets for planning and control	Teacher-led and IS	**Lead in:** overview of previous lesson and issue Assignment brief. **Teacher-led presentation:** introduce different types of budgets and methods, the relationship between them and how to prepare a budget. **Paired activity:** share experiences of budget-setting, preparation and monitoring in own job roles. **Small group activity:** evaluate a range of budgeting methods. **Individual learner activity:** carry out budgeting exercise. **Teacher-activity:** provide group and individual support with common budget-setting and monitoring issues. **Individual learner activity:** write up notes and add to glossary of key terms. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Assignment brief Whiteboard and pens Presentation notes Computers with internet access Budget setting templates Activity sheets for budgeting

#	Topic	Lesson type	Suggested activities	Classroom resources
10	Pricing	Teacher-led and IS	**Lead in:** overview of previous lesson and check on learners' progress with Assignment 2. **Teacher-led presentation:** introduce different pricing strategies, and factors of supply and demand. **Paired activity:** identify and research the pricing strategies adopted by organisations, including own organisation, in different sectors of the economy. **Teacher-led discussion:** ask pairs to share their research finding with the rest of the group, including factors that influence a pricing strategy, and how pricing strategies may change over time. **Paired activity:** suggest a rationale for a pricing strategy in a range of different contexts. **Teacher-led discussion:** allow pairs to share their suggested pricing strategies with the rest of the group. **Individual learner activity:** write up notes. Complete an exercise in changes in market conditions, with calculations of price elasticity of demand. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Template to record research outcomes Case studies for private sector business

#	Topic	Lesson type	Suggested activities	Classroom resources
11	Common costing systems	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** application of different cost systems and different types of costing activities. **Paired activity:** discuss and evaluate effectiveness of a range of costing systems. Compare and contrast three different costing systems and feedback findings to the rest of the class. **Teacher-led discussion:** to share research findings from paired activity with the rest of the group. **Teacher-led presentation:** the features of a competitive market. **Individual learner activity:** write up notes and add to glossary of key terms, and to research the costing systems adopted in own organisation. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Template to record research outcomes Case studies for private sector business

#	Topic	Lesson type	Suggested activities	Classroom resources
12	Strategic planning	Teacher-led and IS	**Lead in:** overview of previous lesson and check learners' progress with Assignment 2. **Teacher-led presentation:** introduce the concept of strategic planning and the different techniques used in planning, and how they apply to the financial position of an organisation. **Paired activity:** watch a short video on a strategic planning technique. Deliver a short presentation about it, justifying its effectiveness in strategic planning. Choose one of the techniques discussed to complete a strategic planning analysis of the organisation chosen for the task Present your outcomes to the other pairs. **Teacher-led discussion:** identify the link for learners between the strategic plans and financial outcomes. **Individual learner activity:** write up notes and add to glossary of key terms. Write a report of business objective recommendations based on the strategic analysis in the paired activity completed in the lesson. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Template to record research outcomes Activity sheets for researching strategic plans, carrying out strategic analysis and preparing a set of business objectives

#	Topic	Lesson type	Suggested activities	Classroom resources
13	Identifying financial problems	Teacher-led and IS	**Lead in:** overview of previous lesson and check learners' progress with Assignment 2. **Teacher-led presentation:** introduce how to identify financial problems, and how management accounting can respond to financial problems. **Paired activity:** identify the value of a range of methods in highlighting financial problems. Discuss examples of financial problems experienced by organisations and identity if any of the methods presented might have helped that organisation to overcome the problems. **Small group activity:** research examples of financial problems that may be experienced by organisations and identify whether any of the methods presented might have helped them to overcome the problems. **Teacher-led discussion:** ask for feedback from the small group activity. Identify the methods that might have helped the organisations to avoid the problems. **Individual learner activity:** write up notes and add to glossary of key terms. Carry out research to evaluate how businesses have addressed financial problems. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Template to record research outcomes

#	Topic	Lesson type	Suggested activities	Classroom resources
14	Financial governance	Teacher-led and IS	**Lead in:** overview of previous lesson and check learners' progress with Assignment 2. **Teacher-led presentation:** what financial governance is, and how it can be used to predict and prevent financial problems. **Individual learner activity:** research the role, features and characteristics of internal and external audits. **Teacher-led class discussion:** the difference between internal and external audits and their contribution to risk reduction and business planning. **Paired activity:** list examples where financial governance has been lacking in organisations and explain how effective financial governance could have helped to overcome financial problems. **Small group activity:** research and explain two examples of financial governance models and feedback to the rest of the class. **Individual learner activity:** write up notes and add to glossary of key terms. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Template to record research outcomes Activity sheet for financial governance

#	Topic	Lesson type	Suggested activities	Classroom resources
15	Assignment workshop	AW	**Lead-in:** overview of previous lesson and arrangement of individual appointments with learners. **Individual learner activity:** attend individual appointment to review draft report and receive feedback. Complete assignment task, addressing any issues raised in the review. **Teacher-led activity:** provide both group and individual support. Use questions and answers to cover common issues learners' have experienced with the assignment. **Plenary session:** confirm the main learning points addressed during the assignment workshop.	Assignment brief

#	Topic	Lesson type	Suggested activities	Classroom resources
16	Management accounting skill sets	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** describe what makes an effective management accountant. **Individual learner activity:** research the professional association for management accountants (CIMA) website and identify the key skills and competencies required to be a management accountant, including the technical skills, qualities, behaviour and experience required. Explain how these can be used effectively to prevent or tackle financial problems. **Paired activity:** find two job vacancies for management accountants, in different sectors, and explain the skill sets required for each job. **Individual learner activity:** write up notes and add to glossary of key terms. Complete an individual skill set audit, identifying strengths, weaknesses and gaps. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Template to record research outcomes

#	Topic	Lesson type	Suggested activities	Classroom resources
17	Effective strategies and systems	Teacher-led and IS	**Lead in:** overview of previous lesson. **Teacher-led presentation:** development of strategies and systems for effective management accounting reporting. **Paired activity:** discuss the financial reporting arrangements in own organisation. Discuss a rationale for timely reporting and the importance of accountability and governance. Present all your findings to the rest of the class. **Teacher-led presentation:** the types of financial reports required in an organisation, the format of financial reports and best practice in writing them. **Individual learner activity:** write a formal financial report, using given financial data. **Plenary session:** confirm the main learning points identified in the lesson.	Unit specification Whiteboard and pens Presentation notes Computers with internet access Template to record research outcomes Activity sheet for financial reporting arrangements including data

#	Topic	Lesson type	Suggested activities	Classroom resources
18	Assignment workshop	AW/IS	**Lead in:** walk through the assignment brief, recapping and reviewing unit content. **Teacher-led activity:** address general queries and concerns, both group and individual. Provide individual assignment support and formative assessment feedback. **Individual learner activity:** ongoing completion of Assignment. **Plenary session:** confirm the main learning points identified in the assignment workshop.	Assignment brief
19	Assignment workshop	RS/AW	**Teacher-led:** revision of Learning aims C and D to support Assignment 2. **Teacher-led discussion:** about any remaining queries and concerns about Assignment requirements. **Individual learning activity:** final completion and submission of Assignment.	Unit specification Whiteboard and pens Assignment brief

#	Topic	Lesson type	Suggested activities	Classroom resources
20	Review of unit	Teacher-led and IS	**Lead-in:** hand out marked assignments, which were submitted at the end of the previous lesson. Identify learners' best practice points, and address any common errors and presenting issues. **Teacher-led presentation:** go through each individual task in the assignment brief highlighting the key points required in each task and identifying key learning points. Discuss with learners the common areas that they found the most difficult. **Learner review of the unit:** including feedback on the positive aspects of the course, including the key learning points, and topics they found difficult. **Teacher–led discussion:** ask learners to suggest improvements to the unit around areas such as the pace of lessons, access to teacher support, quality of resources, assignment deadlines. **Individual learner activity:** write up notes and complete the glossary of key terms. Prepare an action plan, identifying areas of weakness in the subject matter and the support required to improve performance.	Unit review template Unit specification Whiteboard and pens Teacher presentation slides and notes Unit review template

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	1 (180 minutes)

Lesson objectives	Learners must be able to: • explain the functions of management accounting and its contribution to business processes • analyse the reasons for integrating a management information system.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Financial and management accounting systems • **AS:** Case study of integrated accounting systems
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in presentation:** • role of management accounting • introduction to the unit content • introduction to the unit assessment.
Main activities (150 minutes)	**Paired activity:** define management accounting; comparing and contrasting the roles of financial accounting and management accounting. **Teacher-led presentation:** the different types of management accounting systems, and their benefits. **Small group activity:** analyse the reasons for integrating a management accounting system.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** write up notes and add to the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	2 (180 minutes)

Lesson objectives	Learners must be able to: • explain the functions of management accounting and its contribution to business processes • analyse and evaluate different management accounting systems with reference to business activities.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Financial and management accounting systems • **AS:** Case study of management accounting systems
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** with a question and answer session on previous lesson outcomes.
Main activities (150 minutes)	**Teacher-led presentation:** different types of management accounting systems, and their benefits. **Paired activity:** using a case study, identify different applications of the range of management accounting systems. Pairs should research examples of at least two different management accounting systems and feedback findings to the rest of the group. **Teacher-led discussion:** evaluate the advantages and disadvantages of each management accounting system.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	3 (180 minutes)

Lesson objectives	Learners must be able to: • identify the characteristics of useful management information and the difference between data and management information.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case studies on management information
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** the methods used for presenting financial information and different types of managerial accounting reports. **Teacher-led discussion:** to identify the characteristics of good and reliable data, and the features of quality financial information. **Small group activity:** list the possible effects of poor-quality financial information about an organisation. **Paired activity:** using case studies, identify the management information required in different decision-making scenarios. Examples could include: pricing policies, decisions to move into a new market, business growth, merger/takeover, restructuring. **Teacher-led discussion:** ask learners to share the outcomes and implications of the paired activity.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • apply different methods of presenting financial information, using examples, and to evaluate each method.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	4 (180 minutes)

Lesson objectives	Learners must be able to: • identify the characteristics of useful management information and the difference between data and management information • complete calculations involving absorption and marginal costings • write a management accounting report using accepted business format.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Calculations for job costs, using absorption and marginal costings • **AS:** Management accounting report
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** introduce cost analysis and cost variances, including: • the application of absorption and marginal costings • flexible budgeting techniques and fixed budgeting. **Paired activity:** identify a range of different cost types from a given list. **Teacher-led discussion:** different cost analysis techniques and their implications for an organisation, including cost-volume profit, flexible budgeting and cost variances, and applying absorption and marginal costing. **Individual learner activity:** • write up notes • complete practice worksheets from given data to calculate cost variances and apply flexible budgeting techniques, stating the benefit over fixed budgeting • management report identifying and addressing budget variances.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	5 (180 minutes)

Lesson objectives	Learners must be able to: • classify the main business costs according to their behaviour • prepare basic costing calculations using a job card • calculate the job cost using activity-based costings (ABC).

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case study activity sheets - prepare job costs • **AS:** Calculation using ABC costing method
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** introduce product costing and how to apply different costings in financial statements, including fixed, variable, semi-variable and stepped costs. **Paired activity:** identify cost behaviour from a given list and to share responses with the rest of the class. **Small group activity:** discuss the role of costing and present findings to the other groups. **Teacher-led presentation:** the principles of activity-based costing (ABC costing), and a comparison with other costing methods. **Individual learner activity:** • research examples of where activity-based costing(ABC) has been used • complete worksheets for calculations and review costings. **Class activity:** peer review calculations and demonstrate how to complete calculations.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson
Private study/homework	**Individual learner activity:** • write up notes and the glossary of key terms • complete additional costing calculations.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	6 (180 minutes)

Lesson objectives	Learners must be able to: • describe how the inventory can be calculated using different methods of valuation • calculate the value of the inventory using different methods • explain the impact on the financial statements of different methods of calculating the inventory.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Inventory calculations • **AS:** Case studies
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	**Teaching notes**
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150minutes)	**Teacher-led presentation:** introduce the concept and components of inventory, and different methods of inventory management, and its effects on financial statements, to include: • the components of an inventory (work in progress; part finished and completed) • its importance and purpose

Activities	Teaching notes
	• inventory valuation methods (LIFO, FIFO and AVCO) • the effects of different inventory valuation methods on the financial statements. **Paired activity:** • categorise a range of examples of inventory (work in progress (WIP), part-finished and completed) • compare inventory systems in their own organisations and to share findings with the rest of the group. **Teacher-led discussion:** identify good and poor practices in inventory management, including: • management control processes • the role of technology in inventory management • just-in-time (JIT) systems. **Individual learner activity:** • apply the main inventory valuation methods of LIFO, FIFO and AVCO • complete exercises using different inventory calculation methods and transfer valuations into financial statements, to show the impact of different methods of valuation.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • write a report describing how different inventory valuation methods impact on the financial statements.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson nos.	7 and 8 (180 minutes x 2)

Lesson objectives	Learners must be able to: • complete a case study based on Learning aims A and B.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Case study - Prepare job costs • **AS:** Case study - Calculation using ABC costing method
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** provide a walk-through of the case study, and its requirements, with clarification of any points raised by the learners.
Main activities (150 minutes)	**Individual learner activity:** complete work on the set case study, including job costs and ABC calculations. **Group presentations:** responses to the case study and any outcomes from completion. **Teacher-led presentation:** provide the answers to the set case study, identify common errors and good practice points, based on learners' responses.
Concluding activity (20 minutes)	**Plenary session:** confirm learners' knowledge and understanding of the subject matter covered in the set case study.
Private study/homework	**Individual learner activity:** write up notes and the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	9 (180 minutes)

Lesson objectives	Learners must be able to: • explain the purpose of a budget • explain different budgeting methods • prepare a budget • analyse the problem associated with the budget process and how they may be addressed.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Budget-setting template • **AS:** Own budget-setting experience • **AS:** Preparation of a budget for a manufacturing business • **AS:** Budgeting methods • **AS**: Assignment brief
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in presentation:** • Ask learners to present their responses to the homework activities set at the end of the previous lesson. • Identify good practice points and address any issues and problems that learners encountered. • Issue the assignment brief and: o walk through the requirements of each individual task o confirm the format of the written responses o address any queries raised by learners o agree submission date.
Main activities (150 minutes)	**Teacher-led presentation:** introduce different types of budgets and methods, the relationship between them, e.g. historical-based budgeting and zero-based budgeting and how to prepare a budget. **Paired activity:** share experiences of budget setting, preparation and monitoring in their own job roles (past and present) including common characteristics and presenting issues. **Small group activity:** evaluate a range of budgeting methods. **Individual learner activity:** carry out a budgeting exercise covering all the main budgets in a manufacturing business. **Teacher support:** provide group and individual support with the common budget setting and monitoring problems experienced.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	• **Individual learner activity:** write up notes and add to the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	10 (180 minutes)

Lesson objectives	Learners must be able to: • explain the features of different pricing strategies • analyse the pricing strategies within different sectors of a market • analyse how market forces impact on prices and the application and the application of price elasticity of demand.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Learners confirm the outcome of their research • **AS:** Case studies of pricing strategies in private sector business organisations
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered. Check on learners' progress with Assignment 2 and address any queries.
Main activities (150 minutes)	**Teacher-led presentation:** introduce different pricing strategies, including: • factors of supply and demand • premium pricing • penetration pricing • price skimming • cost plus • market-driven(price-taker) • psychological pricing. **Paired activity:** identify and research the pricing strategies adopted by organisations, including organisation currently working in, in different sectors of the economy. **Teacher-led discussion:** ask pairs to share their research findings with the rest of the group, including: • factors that influence pricing strategies, such as elasticity • how pricing strategies may change over time. **Teacher-led presentation:** the features of a competitive market, including: • demand and supply • changes in the conditions of demand and supply and the impact on market price • price elasticity of demand – definition and calculation. **Paired activity:** suggest a rationale for a pricing strategy in a range of different contexts.

Activities	Teaching notes
	Teacher-led discussion: ask pairs to share their suggested pricing strategies with the rest of the group.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • complete an exercise in changes in market conditions (demand and supply) and calculations of price elasticity of demand.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	11 (180 minutes)

Lesson objectives	Learners must be able to: • evaluate different costing systems.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Template to record research outcomes • **AS:** Case studies for private sector business • **AS:** Costing systems
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson.
Main activities (150 minutes)	**Teacher-led presentation:** the application of different cost systems and different types of costing activities. **Paired activity:** discuss different types of costing systems and evaluate their usefulness to management control of operational processes. Compare and contrast three different costing systems and feedback your findings to the rest of the class. **Teacher-led discussion:** to share research findings from paired activity with the rest of the group. **Teacher-led presentation:** the features of a competitive market.
Concluding activity (20 minutes)	**Plenary session:** to confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • research the costing systems adopted in own organisation.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	12 (180 minutes)

Lesson objectives	Learners must be able to: • be able to explain the purpose of strategic planning • analyse the relationship between the strategic plans and financial outcomes • conduct a strategic analysis of an organisation • recommend business objectives following the outcome of a strategic analysis.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Record research outcomes • **AS**: Research strategic plans • **AS**: Conduct a strategic analysis on a given business • **AS**: Prepare a set of business objectives based on the outcome of a strategic analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

<table>
<tr><th>Activities</th><th>Teaching notes</th></tr>
<tr><td>Starter activity

(10 minutes)</td><td>Lead-in: ask learners to present their responses to the homework activities set at the end of the previous lesson.

Identify good practice points and address any issues and problems that learners encountered.

Check learners’ progress with the assignment and address any queries.</td></tr>
<tr><td>Main activities

(150 minutes)</td><td>Teacher-led presentation: strategic planning, including:
• features and purpose
• organisational objectives
• business tools used in the strategic planning process, such as PESTLE, SWOT and Porter’s Five Forces.

Paired activity: research the strategic plans of a range of different organisations by watching a short video on a strategic planning technique. Deliver a short presentation about it, justifying its effectiveness in strategic planning.
• Choose one of the techniques discussed to complete a strategic planning analysis of the organisation chosen for the task. Present your outcomes to the other pairs.

Teacher-led discussion: identify the link for learners between the strategic plans and financial outcomes.</td></tr>
<tr><td>Concluding activity

(20 minutes)</td><td>Plenary session: confirm the main learning points identified in the lesson.</td></tr>
<tr><td>Private study/homework</td><td>Individual learner activity:
• write up notes and add to the glossary of key terms
• write a report outlining a set of recommended business objectives, based on the strategic analysis conducted in the paired activity completed during the lesson.</td></tr>
</table>

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	13 (180 minutes)

Lesson objectives	Learners must be able to: • analyse the factors resulting in financial problems and how they could be addressed.

Resources checklist	• Unit specification • Whiteboard and pens • Computers with internet access • **PS:** Teacher presentation slides and notes • **TF:** Record research outcomes • **AS:** Research the background of organisation's financial problems • **AS:** Financial governance
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered. Check on learners' progress with the assignment and address any queries.
Main activities (150nminutes)	**Teacher-led presentation:** introduce how to identify financial problems, and how management accounting can respond to financial problems. **Paired activity:** identify the value of a range of control methods in highlighting financial problems. **Small group activity:** research examples from the media and financial press about financial problems experienced by organisations and identify methods that might have helped them to avoid the problems. **Teacher-led discussion:** ask for feedback from the small group activity. Identify the methods that might have helped the organisations to avoid the problems.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** • write up notes and add to the glossary of key terms • carry out research to evaluate how businesses have addressed financial problems.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	14 (180 minutes)

Lesson objectives	Learners must be able to: • explain the role of financial governance and how it operates in an organisational setting • distinguish between the purpose of internal and external audits.

Resources checklist	• Unit specification • Whiteboard and pens • Computers with internet access • **TF:** Record research outcomes • **PS:** Teacher presentation slides and notes • **AS**: Financial governance
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered. Check on learners' progress with the assignment and address any queries.
Main activities (150nminutes)	**Teacher-led presentation:** what financial governance is and how it can be used to predict and prevent financial problems. **Individual learner activity:** research the role, features and characteristics of internal and external audits. **Teacher-led class discussion:** the difference between internal and external audits and their contribution to risk reduction and business planning. **Paired activity:** research and list as many examples as possible of where financial governance has been lacking in organisations. Explain how effective financial governance could have helped to overcome these financial problems. **Small group activity:** research and explain two examples of financial governance models and present these to the rest of the class. **Individual learner activity:** write up notes and add to glossary of key terms.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	15 (180 minutes)

Lesson objectives	Learners must be able to: • complete tasks contained in the assignment brief.

Resources checklist	• Unit specification • Whiteboard and pens • **AS:** Assignment brief
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	**Teaching notes**
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led:** arrange individual appointments with learners to review draft reports and provide feedback. **Individual learner activity:** after receiving review feedback, complete the assignment tasks, addressing any issues raised in the review. **Teacher support:** provide both group and individual support, as required. Use questions and answers to cover common issues learners' have experienced with the assignment.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points addressed during the assignment workshop.
Private study/homework	**Individual learner activity:** write up. notes and add to glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	16 (180 minutes)

Lesson objectives	Learners must be able to: • identify the skill set of a management accountant.

Resources checklist	• Unit specification • Whiteboard and pens • **TF:** Record research outcomes • **AS:** Assignment brief
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** overview of assignment writing workshop, addressing learners' queries.
Main activities (150 minutes)	**Teacher-led presentation:** describe what makes an effective management accountant. **Individual learner activity:** research the professional association for management accountants (CIMA) and identify the key skills and competencies required to be a management accountant, including technical skills, qualities, behaviour and experience. Explain how these can be used effectively to prevent or tackle financial problems. **Teacher-led class discussion:** distinguish between 'hard' and 'soft skills' in the context of the management accountant's work role. **Paired activity:** find two job vacancies for management accountants, in different sectors, and explain the skill sets required for each job.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points addressed during the assignment workshop.
Private study/homework	**Individual learner activity:** • write up notes and add to glossary of key terms • complete an individual skill set audit, identifying strengths, weaknesses and gaps.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	17 (180 minutes)

Lesson objectives	Learners must be able to: • to identify the range of financial reporting arrangements required in an organisation.

Resources checklist	• Unit specification • Whiteboard and pens • **TF:** Record research outcomes • **AS:** Financial reporting arrangements including data
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** ask learners to present their responses to the homework activities set at the end of the previous lesson. Identify good practice points and address any issues and problems that learners encountered.
Main activities (150 minutes)	**Teacher-led presentation:** development of strategies and systems for effective management accounting reporting. **Paired activity:** discuss the financial reporting arrangements in own organisation. Discuss a rationale for timely reporting and the importance of accountability. Present all your findings to the rest of the class. **Teacher-led presentation:** about the types of financial reports required in an organisation, the format of financial reports and best practice in writing them. **Individual learner activity:** write a formal financial report, using given financial data.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points addressed during the assignment workshop.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	18–19 (180 minutes x2)

Lesson objectives	Learners must be able to: • complete all tasks in the assignment brief • submit completed assignment brief by the submission deadline.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Assignment brief
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** walk through the assignment brief.
Main activities (150 minutes for each lesson)	**Teacher-led activity:** revise Learning aims C and D, addressing general queries and concerns, both group and individual. Provide individual assignment support and formative assessment feedback. **Individual learner activity**: final completion and submission of Assignment.
Concluding activity (20 minutes)	**Plenary session:** confirm the main learning points identified in the lesson.
Private study/homework	**Individual learner activity:** to write up notes.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Lesson no	20 (180 minutes)

Lesson objectives	Learners must be able to: • identify the strengths and weaknesses of their submitted work • know the areas of improvement required in their own knowledge of the subject matter.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **TF:** Unit review template
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	**Lead-in:** hand out marked assignments, which were submitted at the end of the previous lesson. Identify learners' best practice points, and address any common errors and presenting issues.
Main activities (150 minutes)	**Teacher-led presentation:** go through each individual task in the assignment brief: • highlight the key points required in each task • identify key learning points • discuss with the learners the common areas that they found the most difficult.
Concluding activity (20 minutes)	**Learner review of the unit:** including feedback on the positive aspects of the course, including the key learning points and topics they found difficult. **Teacher-led discussion:** ask learners to suggest improvements to the unit around areas such as the pace of lessons, access to teacher support, quality of resources, assignment deadlines.
Private study/homework	**Individual learner activity:** • write up notes and complete the glossary of key terms • prepare an action plan, identifying areas of weakness in the subject matter and the support required to improve performance.

Assignment brief

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 3: Principles of Management Accounting
Learning aim(s)	A Understand management accounting systems. B Be able to apply a range of management accounting techniques. C Understand how planning tools are used in management accounting. D Understand how organisations use management accounting to respond to financial problems.
Assignment title	The role management accounting plays in supporting an organisation's sustainable growth
Assessor	
Issue date	
Hand-in deadline	

Vocational scenario or context	You are employed as an accountant for a small business that manufactures and sells parts used in the production of cars. The business owner is considering expanding the business. However, before any decisions are taken the owner wishes to understand how current costs are affecting the business when compared to the level of investment.

Task 1	Based on a given set of data, you have been instructed to provide a financial report that includes the following: • income statements using marginal and absorption costing • inventory costs • rate of turnover • the return on capital employed • weighted average cost of capital • an interpretation of the business' financial position.

Checklist of evidence required	The submission is in the form of a financial report. This should: • be written in a concise, formal business style using single spacing and font size 12. • use headings, paragraphs and subsections as appropriate • include two income statements and evidence of your calculations. The financial report must have a minimum of 300 words and have a maximum of 500 words (or equivalent).

Criteria covered by this task:	
Criterion reference	**To achieve the criterion you must show that you are able to:**
B.P1	Calculate costs using appropriate techniques of cost analysis to prepare an income statement using marginal and absorption costs.
B.P2	Apply a range of management accounting techniques and produce appropriate financial reporting documents.
B.P3	Produce financial reports that accurately apply and interpret data for a range of business activities.

Vocational scenario or context	The business owner has assessed the financial report you produced and has decided to explore the possibility of expanding the business. However, the owner is concerned that the business does not have the appropriate management accounting systems in place, which may be a barrier to growth.
Task 2	You have been further tasked with producing a report to persuade the owner that investing in a management accounting system will be advantageous to the business so that sustainable growth and success can be achieved. The report is to include; • an introduction to management accounting and the types of systems that could be used in the business

	• a comparison between two financial planning tools that could be used within the business, particularly to produce budgets • an assessment of how these planning tools can help to resolve any financial problems that the business may face • the advantages and disadvantages of financial management when responding to the business' financial problems • an assessment of how and why management accounting systems and reporting should be integrated into the business' processes.
Checklist of evidence required	The submission is in the form of an individual written report. This should: • be written in a concise, formal business style using single spacing and font size 12 • use headings, paragraphs and subsections as appropriate • include examples, where appropriate, to support the report's findings • be supported with research and referenced using an appropriate and recognised referencing system. The report must have a minimum of 200 words and have a maximum of 2500 words.

Criteria covered by this task:

Criterion reference	To achieve the criterion you must show that you are able to:
A.P1	Explain management accounting and give the essential requirements of different types of management accounting systems.
A.P2	Evaluate the benefits of management accounting systems and their application within an organisational context.
A.P3	Evaluate how management accounting systems and management accounting reporting is integrated within organisational processes

C.P1	Analyse the use of different planning tools and their application for preparing and forecasting budgets.
D.P1	Analyse how, in responding to financial problems, management accounting can lead organisations to sustainable success.
D.P2	Evaluate how planning tools for accounting respond appropriately to solving financial problems to lead organisations to sustainable success.

Sources of information to support you with this assignment	**Textbooks** Drury, C. *Cost and Management and Cost Accounting*, Ninth Edition, Cengage Learning EMEA. (2015), ISBN-13: 9781473749054. Edmonds, T.P., Olds, P.R. and Tsay, Bor-Yi, *Fundamental Managerial Accounting Concepts*, Seventh Edition, McGraw-Hill Education (2013), ISBN-13: 9781259060502. Horngren, C., Sunden, G., Stratton, W., Burgstalher, D. and Schatzberg, J. (2013) *Introduction to Management Accounting*, Pearson Education (2013), ISBN-13: 9780133059748. (This text is available electronically and is supported by access to an online course) Seal, W., Rohde, C., Garrison, R.H. and Noreen, E. *Management Accounting*, Fifth Edition, McGraw-Hill Education (2014), ISBN-13 9780077157500.
Other assessment materials attached to this assignment brief	A mini data set

Unit 3 Assignment support materials

Task 1 Data Set

Sales		30000 units
Capital invested	$100000	
Bank loan balance	$25000	
Direct material cost by unit	$6	
Direct labour cost per hour	$9	
Variable production overheads per unit	$2	
Fixed production overheads	$160000	
Variable selling expenses per unit	$4	
Other fixed expenses	$50000	
Cost of inventory at start of period	$45000	
Direct labour per unit		20 minutes
Interest on bank loan		9%
Dividend payment		5%

Requirement

Based on this set of data, provide a financial report that includes the following:

- income statements using marginal and absorption costing
- inventory costs
- rate of turnover
- the return on capital employed
- weighted average cost of capital
- an interpretation of the business’ financial position based on the income statements and your calculations.

Unit 4: Financial Statements and Reporting

Delivery guidance

Approaching the unit

The purpose of this unit is to build on learners' knowledge and understanding of the principles of financial management. The unit can be considered as covering two distinct, but related, themes made up of three learning aims.

Learning aims A and B are essentially concerned with the theme of the principles and framework of financial reporting. Learning aim C is concerned with being able to interpret financial statements.

In Learning aims A and B learners will be introduced to the idea of governance in an organisation and to the role of people within a business (the responsible officers) who ensure that a business's financial systems, record-keeping and financial statements are robust, and in line with legal requirements.

The content of Learning aims A and B covers such areas as the purpose of financial reporting, the role of corporate governance and the importance of financial reporting standards.

In relation to international reporting standards, learners need to be aware of some of the differences between different countries. For example, there are differences between those countries that have adopted the International Financial Reporting Standards (IFRS) of the European Union and those countries that operate within the Generally Accepted Accounting Standards (GAAP framework) of the United States of America. In this qualification, only a *broad understanding* is required of the main differences between IFRS and GAAP standards in relation to the following areas:

- the way in which the two frameworks are structured
- the presentation of financial statements
- the definitions of liabilities
- the recognition of revenue.

The following website provides the level of detail required in this section of the specification:

https://smallbusiness.chron.com/gaap-vs-ias-35636.html

However, learners should be given the opportunity to compare the IFRS and GAAP standards to the current standards for financial reporting arrangements and standards in Uzbekistan. They should also consider how these standards might change over time in response to the Uzbek government's strategy in relation to its economic development priorities and its desire to embrace globalisation.

Figure 1 provides an overview of how the first theme of the unit, covering Learning aims A and B, could be developed.

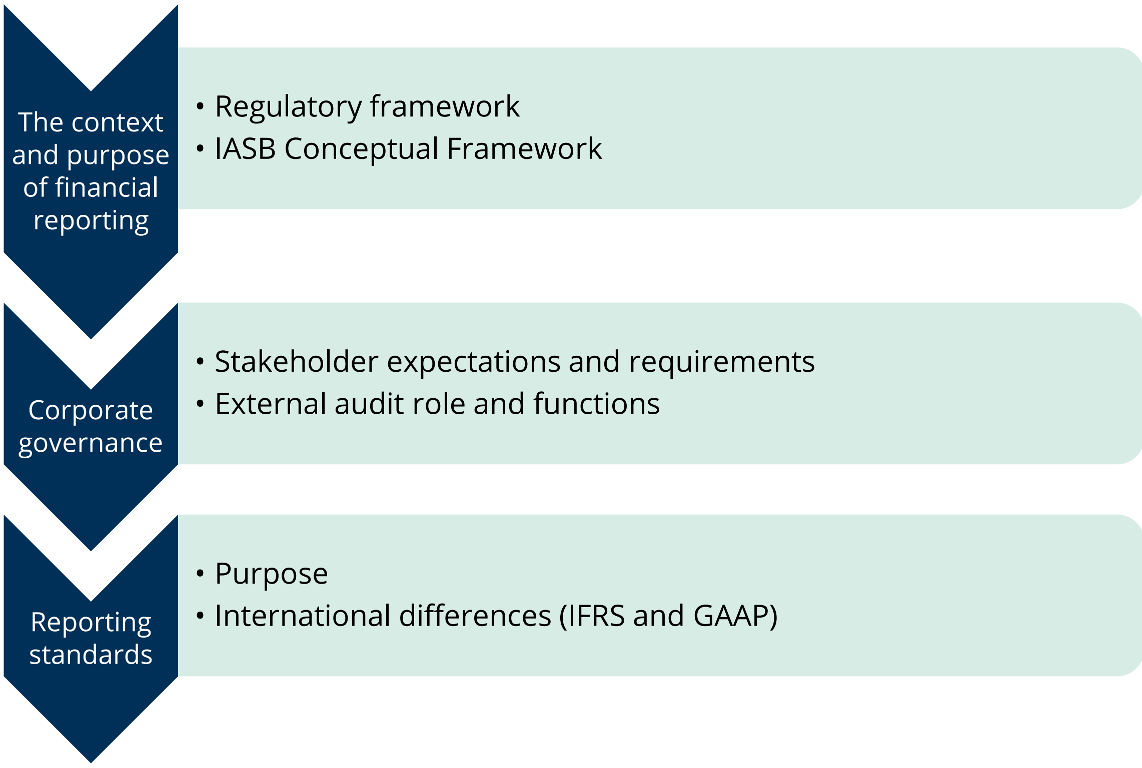

Figure 1: Development of Theme 1 (covering Learning aims A and B)

Learning aim C is focused on the second theme developed in this unit. Learners will be required to analyse financial statements and interpret financial ratios calculated from information contained within financial statements. They will extract data from financial statements to calculate performance ratios in relation to efficiency, liquidity and profitability and use this analysis to report to the main stakeholders. One of the main stakeholder reports will be to the owners (shareholders). This reporting requirement provides the link with theme 1 covered in Learning aims A and B.

In doing this analysis of financial data, learners develop an understanding of how financial statements can be used to assess business performance, and the options available to a business to improve its performance.

Figure 2 provides an overview of the interrelationship between the two main themes developed in the unit.

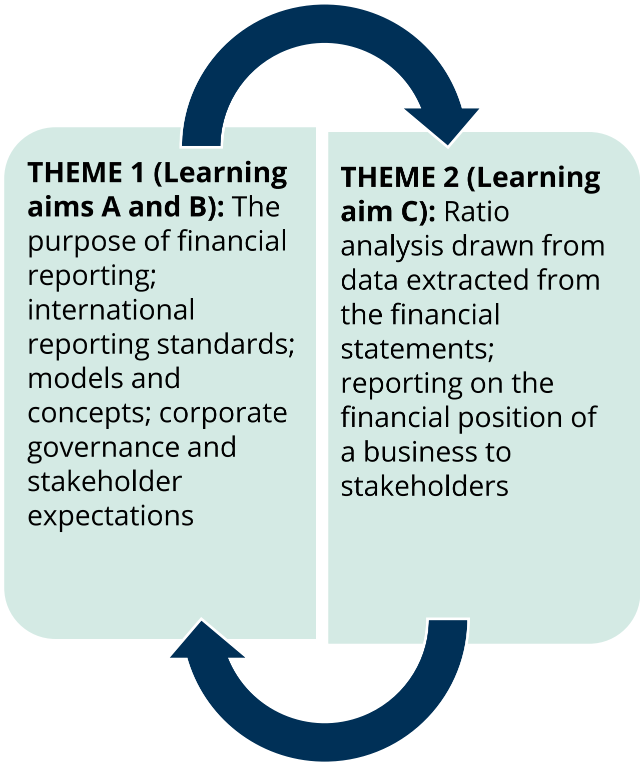

Figure 2: The interrelationship between Theme 1 (Learning aims A and B) and Theme 2 (Learning aim C)

Learners should have access to computers with internet access.

The Scheme of Work (SOW) that accompanies the support material for this unit will help to deliver a logically consistent teaching programme that builds upon the knowledge and skills of your learners.

Assessment

Learning aim	Key content areas	Recommended assessment approach
A Understand theories, concepts and models relating to financial reporting	**A1** The concept of financial reporting **A2** The purpose of financial reporting **A3** Theories and models	A briefing document which provides the client with the conceptual and legal rationale for why financial statements must be produced and reported
B Understand financial reporting	**B1** Financial reporting and corporate responsibility **B2** The purpose of financial reporting standards **B3** Measurements in financial statements	
C Be able to interpret financial statements	**C1** Raito analysis **C2** Cash flow, profit and loss account and balance sheets	Financial report to include the analysis of a business's financial statements to provide an evaluation of its financial position

Assessment guidance

The recommended assessment approach in the unit specification identifies two assignment tasks which require learners to demonstrate a range of different skills in specific contexts:

- a briefing document (Task 1)
- a financial report (Task 2).

Task 1 (Learning aims A and B) Briefing document

This task requires the learners to produce a briefing document that provides details of why financial statements have to be produced. Teachers should make the learners aware of the characteristics of a briefing document as it is used in business:

- the purpose: a concise (brief) statement of the topics, issues, main points and ideas
- the summary of facts: the evidence, facts and key details
- the conclusion: a summary of the main points, highlighting any recommendations.

The central purpose of a briefing document is therefore to provide the background knowledge and information crucial to the decision-makers in a business.

Task 2 (Learning aim C) Financial report

This task requires learners to analyse the financial statements of a business and extract relevant data to calculate financial performance ratios relating to profitability, liquidity and efficiency. When they have completed the analysis, they are then required to prepare a financial report to evaluate the performance of the business.

For this task the teacher is required to prepare a set of financial statements for a specific business covering two successive years of trading (profit and loss account, balance sheets and cash flow statements). Learners should analyse the financial statements using relevant financial ratios relating to profitability, liquidity and efficiency and draw relevant conclusions to evaluate the performance of the business. Learners should also use the analysis to highlight specific issues relating to profitability, liquidity and efficiency to highlight any potential issues and how they may be dealt with.

Note: the figures in the financial statements should be amended for future student groups to reduce the possibility of plagiarism.

Getting started

This gives you a starting place for one way of delivering the unit. It is based on the recommended assessment approach given in the specification.

Unit 4: Financial Statements and Reporting
Introduction Learners must be familiar with the structure and composition of the main financial statements before the start of this unit. They should be aware of the financial detail included in the three main financial statements prepared by an incorporated business: • the profit and loss account • the balance sheet • the cash flow statement. Learners should also have an understanding of the key financial terms used in relation to each of these statements, including the following: • gross profit • net profit (profit for the year) • overheads • distributed profits • retained profits • assets (current and non-current) • inventory • liabilities (current and non-current) • depreciation • cash flow • working capital (net current assets). In deciding on appropriate strategies to examine any financial performance issues that have been identified by analysing financial statements, learners will be expected to identify any performance issues to do with accounting terminology. They will also need to highlight how the decisions they recommend will impact on different components of the financial statements.

Unit 4: Financial Statements and Reporting
The assessment of financial performance will be undertaken primarily by ratio analysis relating to: • profitability • liquidity • efficiency • financial gearing • investment ratios including the return on equity (ROE). Learners should be familiar with international accounting standards as well as the application of the main accounting principles including: • consistency • materiality • objectivity. This can lead on to looking at the notion of business ethics in accounting practices and this, in turn, can relate to the roles and responsibilities of business governance, and the responsibilities of senior accounting roles within the business. It is recommended that in Learning aim C learners undertake comparative case studies to compare and contrast the financial statements of different businesses in the same sector of the economy to identify any performance issues between those businesses. Financial statements are included in a corporation's Annual Report.
Learning aim A: Understand theories, concepts and models relating to financial reporting
If learners have already successfully completed Units 1–3 of this qualification, they will be familiar with some of the topics covered in this learning aim. For example, they would have looked at financial statements in Units 1 and 2, which covered aspects of recording financial transactions, preparing financial statements and decision-making in relation to financial management. The International Accounting Standards Board (IASB) Conceptual Framework could be a useful basis for introducing the concept of international reporting standards, which are covered in Learning aim B. One way in which learners could be introduced to the concepts of Equity Theory and Legitimacy Theory is with reference to the Brundtland Report (1987), which introduced the concept of environmental accounting and the triple bottom line in which a business's accounting practices take account of: • financial costs

Unit 4: Financial Statements and Reporting
• social costs and benefits • environmental costs and benefits. It would also be useful to refer to this aspect of accounting practices when making capital investment decisions covered in Unit 5: Management Accounting and Decision-Making.
Learning aim B: Understand financial reporting
Learners should be introduced to the concept of corporate governance as it is applied to a business. This will involve looking at: • the responsibilities of governance in respect of the needs and interests of a business's stakeholders and their legal obligations in respect of financial regulations • the specific responsibilities of senior management in ensuring that appropriate accounting procedures are in place • the differences between internal and external audit systems • the purpose of the financial statements as an aid to decision-making. In this learning aim learners should be introduced to the role and purpose of international reporting standards, which are applied in the global economy. They should become familiar with: • International Accounting Standards (IAS) • the International Financial Reporting Standards (IAS) • the differences between the IAS and IFRS standards. A useful way of studying this aspect of the unit is to consider the application of one of these accounting standards: IAS 1, *The Presentation of Financial Statements* since this will link with Learning aim A of this unit. When looking at the financial reporting arrangements carried out by corporations, learners may find it particularly useful to research the Annual Reports of large corporations, which contain a large amount of information relating to financial reports linked to performance data, drawn from the financial statements, which are included in the Annual Report. The attention of learners should also be drawn to the role of ordinary shareholders and their relationship with the governance function as it is applied to the Board of Directors.

Unit 4: Financial Statements and Reporting
Learning aim C: Understand financial reporting
This learning aim provides the opportunity for learners to analyse the performance of a business by extracting relevant data from the appropriate financial statements to determine the performance of a business. Learners will have considered aspects of ratio analysis and financial statements in previous units. However, the teacher is advised to provide learners with the opportunity to prepare financial statements as an introduction to this learning aim so that they are familiar with the content of the main financial statements from which performance data can be extracted, analysed and evaluated. A useful approach to help to understand the interpretation of financial ratios is for learners to compare and contrast the performance of different businesses operating in the same sector of the economy. Learners could also be asked to compare the performance of the same business over a period of time, for example, two or three successive years. By doing this, they could identify the key influences on the business's performance, find any trends in different financial ratios and draw a conclusion about the future prospects for the business. Learners would also be able to identify the decisions and actions that may need to be taken to address any performance concerns, and the likely responses of shareholders and potential investors.

Details of links to other BTEC units and qualifications

Learners should already have been introduced to the principle accounting practices, and how the recording of financial transactions enables a business to extract relevant financial data from its accounting records so that it can prepare its financial statements. These elements will have been covered in the following units: Unit 1: Recording Financial Transactions and Unit 2: Principles of Financial Management.

- Unit 1: Recording Financial Transactions
  - This unit focuses on basic accounting principles and the application of double entry accounting in recording financial transactions and the preparation of financial statements.
- Unit 2: Principles of Financial Management
  - This unit introduces learners to basic financial management principles and strategies, and the importance of maximising shareholder wealth and long-term growth.
- Unit 5: Management Accounting and Decision-Making
  - Capital investment decisions could take into account the notion of Legitimacy Theory covered in Learning aim B (B3) of Unit 5.

Textbooks

ATRILL, P and McLANEY, E – *Accounting and Finance for Non-Accounting Specialists* (9th Edition), Pearson (2012), ISBN-13: 9781292062716

This is an accessible, effective introduction to key accounting and finance topics, focusing on decision-making and its application to real-world business scenarios.

Videos

Ratio analysis:

https://www.youtube.com/watch?v=GoKIZqSFMIE

https://www.youtube.com/watch?v=BCaoQNkeoy0

https://www.youtube.com/watch?v=ROqkmlVuXKU

This is a series of videos that look at how profitability and liquidity ratios can be used to measure business performance.

Websites

https://www.ifrs.org

The website of the IFRS Foundation.

https://www.icaew.com/library/subject-gateways/accounting-standards/knowledge-guide-to-international-accounting-standards

An overview of the history and development of accounting standards; contains useful links to other websites.

Pearson is not responsible for the content of any external internet sites. It is essential for teachers to preview each website before using it in class so as to ensure that the URL is still accurate, relevant and appropriate. We suggest that teachers bookmark useful websites and consider enabling learners to access them through the school/college intranet.

Scheme of work

Unit	Financial Statements and Reporting
Guided Learning Hours	60
Number of lessons	20
Duration of lessons	3 hours
Links to other units	All other units

Key to learning opportunities			
AW	Assignment Writing	**RS**	Revision Session
GS	Guest Speaker	**V**	Visit
IS	Independent Study	**WE**	Work Experience

#	Topic	Lesson type	Suggested activities	Resources
1	Context of financial reporting		• **Teacher-led presentation:** introduce the unit and how it will be assessed. • **Teacher-led presentation:** context of financial reporting, and the financial regulations for reporting in Uzbekistan. • **Paired activity:** learners to carry out internet research to identify the reporting arrangements in another country.	Unit specification Computers with internet access Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
			• **Teacher-led discussion:** learners to report back on research findings – similarities and main differences between financial reporting systems in different countries identified. • **Teacher presentation:** the differences between unincorporated and incorporated bodies. • **Group activity:** implications of incorporation for financial reporting on the business and its owners. • **Teacher-led discussion:** learners to report back on previous activity. • **Plenary:** recap of key learning points. • **Individual learner activity:** learners to research financial reports produced by their own organisations.	
2	Purpose of financial reporting		• **Lead-in:** recap of previous lesson. Questions and answers. • **Paired activity:** learners to share the information they have gathered from the private study research carried out on their own organisations. • **Teacher presentation:** internal and external stakeholders in business – their needs and competing interests.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
			• **Paired activity:** each pair to consider the financial information of most interest to a different group of internal stakeholders and a different group of external stakeholders. • **Teacher-led discussion:** learners feed back on previous activity. Teacher draws out the differences and identifies different user expectations of financial reports produced by a business. • **Teacher presentation:** purpose of financial reporting. • **Group activity:** case study of a business-required loan finance from a bank. • **Learner presentations:** learners to present their case study findings. • **Teacher-led discussion:** preparing an application for loan finance. • **Plenary:** recap of key learning aims.	

#	Topic	Lesson type	Suggested activities	Resources
3	Purpose of financial reporting		• **Lead-in:** question and answer session in relation to the points covered in the previous lesson, on requirements for loan finance. • **Teacher presentation:** cash flow forecasts and statements of cash flow – purpose, features and implications. • **Paired activity:** case study (Part 1). Learners to analyse the reasons why cash flow statement did not match with outturn statement of cash flow. • **Teacher-led discussion:** feedback from learners on the previous activity to agree key points. • **Paired activity:** case study (Part 2). Learners to prepare an action plan to address the reasons for poor outturn of performance in cash flow, using the analysis in Part 1 of the case study. • **Teacher-led discussion:** feedback from learners on the previous activity to consider the actions proposed by the learners. • **Plenary:** confirm the main learning points.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets
4	Theories, models and concepts		• **Lead-in:** questions and answers on the previous activity about the action plan.	Unit specification Whiteboard and pens

#	Topic	Lesson type	Suggested activities	Resources
			• **Teacher presentation:** the role of the IASB (International Standards Accounting Board) – the IASB's Conceptual Framework relating to financial statements. • **Individual learner activity:** learners to research the features and characteristics of equity theory and legitimacy theory. • **Teacher presentation:** lead-in with feedback from the learners on the previous activity. Present the features of equity theory and legitimacy theory. • **Paired activity:** learners to consider the implications of equity theory and legitimacy theory for the business, and its strategy towards its stakeholders. • **Teacher-led discussion:** learners' feedback from the previous activity. • **Plenary:** confirm the main learning points.	Computers with internet access Flipcharts and pens Presentation slides Activity sheets
5	The role and functions of audits		• **Lead-in:** short quiz on previous lesson. Learners to mark their own answers. • **Teacher presentation:** the role and functions of internal and external audits and their differences – compliance testing and substantive testing, audit opinions.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
			• **Paired activity:** case study – learners to identify the areas that could be covered in an internal audit, plus the compliance testing and substantive testing required to reach an audit opinion. • **Learner presentations:** learners to present the outcomes of the previous activity. • **Teacher-led discussion:** identify the implications of audit opinions on financial reporting and stakeholder views. • **Teacher-led presentation:** an overview of the main aspects covered in Learning aim A, and the implications for financial reporting. • **Plenary:** identify key learning points.	

#	Topic	Lesson type	Suggested activities	Resources
6	Corporate governance		• **Lead-in:** question and answer session on the previous lesson about audits. • **Teacher presentation:** corporate governance –features, statutory responsibilities and the role of executive and non-executive directors. • **Paired activity:** case study – the relationship between external audit and financial reporting, the relationship between senior management executives and executive directors, implications for shareholders (ordinary shareholders and preference shareholders). • **Teacher-led discussion:** learners' feedback from the previous activity. • **Teacher presentation:** international financial reporting standards – features and differences. • **Individual research:** learners to complete internet research to find out the features of IAS 1. Make presentation of Financial Statements and IAS and IAS 2 – Inventories. • **Teacher-led discussion:** learners' feedback on outcomes of the previous activity. • **Plenary:** key learning points drawn from the lesson.	Unit specification Computers with internet access Whiteboard and pens Presentation slides Activity sheets Flipcharts and pens

#	Topic	Lesson type	Suggested activities	Resources
7	Financial reporting and corporate responsibility		• **Lead-in:** question and answer session on the previous lesson about accounting standards and corporate governance. • **Teacher presentation:** the purpose and features of Annual Reports as a method of communicating with stakeholders. Compliance with reporting standards. • **Paired activity:** learners to compare and contrast the contents of the Annual Reports of two large corporations. • **Teacher-led discussion:** learners' feedback on the outcomes of the previous activity. • **Plenary:** key learning points drawn from the lesson.	Unit specification Computers with internet access Whiteboard and pens Activity sheets Presentation slides Assessment recording documentation Internal verification recording documentation
8	Accounting measurement principles		• **Lead-in:** questions and answers about previous lesson. • **Teacher presentation:** accounting measurement principles and financial reporting. • **Individual learner activity:** using the same Annual Reports considered in Lesson 7, learners to write an article to be included in the financial press, on the main highlights from the Annual Report. • **Learner presentations:** learners to present feedback from the previous activity.	Unit specification Computers with internet access Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
			• **Teacher-led presentation:** an overview of the main aspects covered in Learning aim B and the implications for financial reporting. • **Plenary:** identify key learning points.	
9	Assignment (Task 1)	IS, AW	• **Lead-in:** teacher to distribute Assignment (Task 1) and take the class through the requirements. Teacher to link assignment to assessment criteria and answer any questions raised by learners. • **Individual learner activity:** learners to complete Assignment (Task 1). • **Plenary:** learners submit Assignment (Task 1). Teacher records work submitted by each learner.	Unit specification Computers with internet access Flipcharts and pens Activity sheet Assessment recording documentation Internal verification recording documentation Assignment Task 1
10	Introduction to ratio analysis		• **Lead-in:** teacher to hand out assessed learner work – Assignment (Task 1). Teacher to identify best practice points and address any weaknesses. • **Teacher presentation:** teacher to provide exemplar response to Assignment Task 1.	Unit specification Computers with internet access Whiteboard and pens Flipcharts and pens

#	Topic	Lesson type	Suggested activities	Resources
			• **Individual learner activity:** learners to review the feedback from Assignment Task 1 and address the points made in teacher feedback. • **Teacher presentation:** recap on the main financial statements. • **Individual learner activity:** learners to prepare financial statements from given data. • **Teacher presentation:** the contribution of ratio analysis to the measurement of trends in performance. • **Individual learner activity:** learners to carry out internet research to find out the limitations of ratio analysis (extracting relevant examples of each limitation). • **Teacher-led discussion:** learners' feedback on the outcomes of the previous activity. • **Plenary:** confirm the main learning points identified in the lesson. • **Independent learner activity:** learners to write a letter of application for a given vacancy.	Presentation slides Activity sheet
11	Introduction to ratio analysis (continued)		• **Lead-in:** question and answer session to confirm understanding of the material covered in previous lesson. Short quiz – learners to fill in gaps in incomplete financial statements (learners to assess their own work).	Unit specification Whiteboard and pens Presentation slides

#	Topic	Lesson type	Suggested activities	Resources
			• **Teacher presentation:** measures of business performance – profitability, liquidity and efficiency. • **Individual learner activity:** learners to perform calculations on the main financial ratios. • **Teacher-led discussion:** learners feed back on answers to the previous exercise. Teacher to highlight good practice and any financial presenting issues. • **Paired activity:** using the answers to the ratio calculations, learners to highlight the actions a business could take to improve the performance ratios. • **Teacher-led discussion:** learners feed back responses from the previous activity. • **Plenary:** update on learner progress. Teacher to address learner questions.	Flipcharts and pens Activity sheets
12	Implications of ratio analysis for stakeholders		• **Lead-in:** learners to complete simple ratio calculations from given financial data. • **Teacher presentation:** ratio analysis and the needs and interests of different stakeholder groups. • **Paired activity:** case study – learners to identify the business risks faced by a business, based on a range of financial data and the outcomes of an environmental analysis in relation to market conditions.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
			• **Teacher-led discussion:** learners' feedback from the previous activity. • **Paired activity:** learners to identify the factors that influence the investment decisions of potential investors in a business, compared to those institutions providing loan finance. • **Teacher-led discussion:** learners' feedback on outcomes from the previous activity. • **Plenary:** identify key learning points from the lesson.	
13	Interpreting financial statements		• **Lead-in:** questions and answers based on the content covered in the previous lesson. • **Paired activity:** case study – two different businesses in different sectors of the economy. Learners to calculate relevant financial ratios to present a rationale for which business they would invest in. • **Teacher-led discussion:** learners' feedback from the previous activity. • **Teacher presentation:** case study – performance ratios from the perspective of individual shareholders and institutional investors.	Unit specification Whiteboard and pens Presentation slides Flipcharts and pens Activity sheet

#	Topic	Lesson type	Suggested activities	Resources
			• **Paired activity:** learners to research the objectives of different institutional investors and investment fund managers. • **Teacher-led discussion:** learners feed back from the previous activity. • **Plenary:** identify key learning points from the lesson.	
14	Interpreting financial statements, continued		• **Lead-in:** questions and answers based on the outcomes of previous lesson. • **Paired activity:** learners to review the outcomes of the case study completed in lesson 13 (ratio analysis of a range of different businesses). Learners to review the investment opportunities of different investment managers with different investment fund objectives. • **Learner presentations:** learners to present the outcomes from the previous activity. • **Teacher-led discussion:** learners' feedback from the previous activity. • **Teacher presentation:** overview of the main aspects covered in Learning aim B and the implications for financial reporting. • **Plenary:** identify key learning points drawn from the lesson.	Unit specification Computers with internet access Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
15-16	Case study: interpreting financial statements (practice assignment)	IS	• **Lead-in:** introduce the case study. Teacher to take learners through the tasks and respond to questions from learners. (Note that learners should be presented with different data sets to allow for differentiation.) • **Individual learner activity:** learners to complete case study. Learners are required to: ○ analyse financial statements ○ calculate financial ratios relating to profitability, liquidity and efficiency ○ identify trends in performance ○ identify business risks ○ evaluate business performance with reference to financial ratios ○ write a report to shareholders of the business ○ produce presentation slides (using appropriate software) and speaker notes. • **Plenary (Lesson 15):** provide formative feedback. • **Plenary (Lesson 16):** confirm learning outcomes of the lessons. Learners to submit work completed on the case study.	Unit specification Whiteboard and pens Flipcharts and pens Activity sheet Presentation slides Computers

#	Topic	Lesson type	Suggested activities	Resources
17	Presentations: interpreting financial statements		• **Lead-in:** outline the purpose of the presentations and the requirement to ask questions about each of the presentations. • **Individual learner presentations:** learners to ask questions about each other's presentation. • **Teacher presentation:** feedback on the presentations and the written work completed on the case study. • **Plenary:** identify the main learning points from the presentations.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheet
18-19	Interpreting financial statements: assignment continued	IS, AW	• **Lead-in:** introduce Assignment Task 2. Talk through the task and respond to questions from learners. (Note: teacher to provide data set.) • **Individual learner activity:** learners to complete Assignment Task 2. • **Plenary (Lesson 18):** teacher to collect work completed in the lesson to hand back to the learners in Lesson 19. • **Plenary (Lesson 19):** learners to submit completed assignments. Teacher to check all assignment work has been submitted.	Unit specification Computers Assessment recording documentation Internal verification recording documentation Assignment Task 2 Whiteboard and pens Flipcharts and pens

#	Topic	Lesson type	Suggested activities	Resources
20	Assessment Review and Feedback		• **Lead-in:** teacher to hand out assessed assignments (Task 2) and provide feedback to learners. Teacher to identify good practice points and any issues that need to be addressed. • **Individual learner activity:** learners to review their individual work, and identify and address weaknesses. • **Teacher-led presentation:** overview of the main aspects covered in Learning aims A to C identifying relationships between the learning aims and how the unit links to other units within the programme. • **Teacher-led discussion:** discuss the main themes covered in the previous teacher presentation in relation to the learners' own work roles and organisations. • **Individual learner activity:** learners to complete template to record their feedback. • **Plenary:** collect feedback forms and discuss outcomes.	Unit specification Whiteboard and pens Presentation slides Activity sheet Flipcharts and pens Template form to record learner feedback Assessment recording documentation

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	1 (180 minutes)

Lesson objectives	Learners must be able to understand: • the themes developed in Unit 4 • the different financial reporting arrangements required in different countries • the different reporting arrangements for unincorporated and incorporated business organisations.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • **PS:** Teacher presentation slides and notes • **AS:** internet research to identify the reporting arrangements in different countries • **AS:** Implications for financial reporting in the context of incorporated business organisations • **AS:** Financial reports produced by own employer
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Teacher-led presentation:** introduce the unit and how it will be assessed.
Main activities (150 minutes)	• **Teacher-led presentation:** context of financial reporting, and the financial regulations for reporting in Uzbekistan. • **Paired activity:** learners to carry out internet research to identify the reporting arrangements in another country. (Note: EU financial reporting requirements are linked to the *ISA Regulation*, which aims to harmonise financial reporting arrangements between member states.) • **Teacher-led class discussion:** learners to report back on research findings – similarities and main differences between financial reporting systems in different countries identified. • **Teacher presentation:** the difference between unincorporated and incorporated bodies in relation to financial reporting requirements (submission of financial statements for public scrutiny). • **Group activity:** implications of incorporation for financial reporting on the business and its owners (implications of public scrutiny). • **Teacher-led discussion:** learners to report back on previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and start compiling the glossary of key terms. • **Individual learner activity:** learners to research the financial reports produced by their own organisations.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 2: Financial Statements and Reporting
Lesson number	2 (180 minutes)

Lesson objectives	Learners must be able to understand: • the financial information required to meet the needs and interests of internal and external stakeholder groups.

Resources checklist	• Computers with internet access • Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Teacher presentation slides and notes • **AS:** Financial information required by stakeholders • **AS:** Case study – a loan application submitted by a business
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of previous lesson. Questions and answers on internal and external stakeholders.
Main activities (150 minutes)	• **Paired activity:** learners to share the information they have gathered from the private study research conducted on their own organisations. • **Teacher presentation:** internal and external stakeholders in business – their needs and competing interests. • **Paired activity:** each pair of learners to consider the financial information of most interest to a different group of internal stakeholders and a different group of external stakeholders. • **Teacher-led discussion:** learners feed back on previous activity. Teacher to draw out the differences and identify different user expectations of financial reports produced by a business. • **Teacher presentation:** the purpose of financial reporting. • **Group activity:** case study – a business required loan finance from a bank. Learners identify the financial information that would be useful to the bank considering the loan application. • **Learner presentations:** learners to present their case study findings. • **Teacher-led discussion:** prioritise the financial information required when preparing an application for loan finance.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	3 (180 minutes)

Lesson objectives	Learners must be able to understand: • how to identify cash flow problems • the reasons why cash flow forecasts and statements of cash flow may differ • the strategies to address cash flow problems.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Teacher presentation slides and notes • **AS:** Case study – Part 1 (cash flow) • **AS:** Action plan to address cash flow issues
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** review of previous lessons on the financial reports required to submit an application for loan finance.
Main activities (1500 minutes)	• **Teacher presentation:** cash flow forecasts and statements of cash flow – purpose, features and implications. • **Paired activity:** case study – Part 1. Learners to analyse the reasons why the cash flow statement did not match with the outturn statement of cash flow. • **Teacher-led discussion:** learners' feedback on the previous activity to agree key points. • **Paired activity:** case study (Part 2). Learners to prepare an action plan to address the reasons for poor outturn of performance in cash flow drawn from the analysis in Part 1 of the case study. • **Teacher-led discussion:** learners' feedback on the previous activity to consider the actions proposed by the learners.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	4 (180 minutes)

Lesson objectives	Learners must be able to understand: • the role of the IASB (International Standards Accounting Board) • the features of the IASB's Conceptual Framework • the features and implications for the business of Equity Theory and Legitimacy Theory.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • **PS:** Teacher presentation slides and notes • **AS:** Internet research (Equity Theory and Legitimacy Theory) • **AS:** Implications of Equity Theory and Legitimacy Theory for the business and its stakeholders
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** questions and answers on the themes covered in the previous lesson.
Main activities (150 minutes)	• **Teacher presentation:** the role of the IASB (International Standards Accounting Board) – the IASB's Conceptual Framework relating to financial statements. Introduce follow-on activity. • **Individual learner activity**: learners to research the features and characteristics of equity theory and legitimacy theory. • **Teacher presentation**: lead-in with learners' feedback on the previous activity. Present the features of equity theory and legitimacy theory. • **Paired activity**: learners consider the implications of equity theory and legitimacy theory for the business, and its strategy towards its stakeholders. • **Teacher-led discussion:** learners' feedback from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	5 (180 minutes)

Lesson objectives	Learners must be able to understand: • the purpose of audits • the differences between internal audit and external audit • how audit opinions are reached and the implications of such opinions.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides and notes • **AS:** Case study – internal audit and external audit
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** short quiz on previous lesson. Learners to mark their own answers.
Main activities (150 minutes)	• **Teacher presentation:** the role and functions of internal and external audits and their differences – compliance testing and substantive testing, audit opinions. • **Paired activity:** case study – learners to identify the areas that could be covered in an internal audit, plus the compliance testing and substantive testing required to reach an audit opinion. • **Learner presentations:** learners to present the outcomes of the previous activity. • **Teacher-led discussion:** identify the implications of audit opinions on financial reporting and stakeholder views. • **Teacher-led presentation:** present an overview of the main aspects covered in Learning aim A, and the implications for financial reporting.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	6 (180 minutes)

Lesson objectives	Learners must be able to understand: • the role, functions and responsibilities of corporate governance • the relationship between external audit and financial reporting • the role of international reporting standards.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • **PS:** Presentation and slides • **AS:** Case study – the relationship between external audit and financial reporting • **AS:** Research IAS Standards
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** question and answer session on the previous lesson about audits.
Main activities (150 minutes)	• **Teacher presentation:** corporate governance – features, statutory responsibilities, and the role of executive and non-executive directors. • **Paired activity:** case study – the relationship between external audit and financial reporting, the relationship between senior management executives and executive directors, implications for shareholders (ordinary shareholders and preference shareholders). • **Teacher-led discussion:** learners' feedback from the previous activity. • **Teacher presentation:** international financial reporting standards – features and differences. • **Individual research:** learners to complete internet research to find out the features of IAS 1. Make presentation of Financial Statements and IAS and IAS 2 – Inventories. • **Teacher-led discussion:** learners' feedback on outcomes of the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm key learning points drawn from the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	7 (180 minutes)

Lesson objectives	Learners must be able to understand: • the purpose and features of Annual Reports.

Resources checklist	• Unit specification • Computers with internet access • Whiteboard and pens • Assessment recording documentation • Internal verification recording documentation • **PS:** Teacher presentation slides and notes • **AS:** Research Annual Reports
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (20 minutes)	• **Lead-in:** question and answer session on the previous lesson.
Main activities (150 minutes)	• **Teacher presentation: t**he purpose and features of Annual Reports as a means of communicating with stakeholders. Compliance with reporting standards. • **Paired activity:** learners to compare and contrast the contents of the Annual Reports of two large corporations. • **Teacher-led discussion:** learners' feedback on the outcome of the previous activity.
Concluding activity (10 minutes)	• **Plenary:** confirm key learning points drawn from the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	8 (180 minutes)

Lesson objectives	Learners must be able to understand: • the accounting measurement principles applied to financial reporting.

Resources checklist	• Unit specification • Computers with internet access • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides • **AS:** Target setting for a business • **AS:** Target-setting for individuals
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** questions and answers on the previous lesson.
Main activities (150 minutes)	• **Teacher presentation:** accounting measurement principles and financial reporting. • **Individual learner activity:** using the same Annual Reports considered in Lesson 7, learners to write an article to be included in the financial press on the main highlights drawn from the Annual Report. • **Learner presentations:** learners to present feedback from previous activity. • **Teacher-led presentation:** present an overview of the main aspects covered in Learning aim B and the implications for financial reporting.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	9 (180 minutes)

Lesson objectives	Learners must be able to: • complete Assignment Task 1.

Resources checklist	• Unit specification • Computers with internet access • Assessment recording documentation • Internal verification recording documentation • Assignment Task 1 • Flipcharts and pens • **AS:** Assignment Task 1
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** teacher to distribute Assignment (Task 1) and take the class through the requirements, link assignment to assessment criteria and answer any questions raised by learners.
Main activities (150 minutes)	• **Individual learner activity:** learners to complete Assignment (Task 1).
Concluding activity (20 minutes)	• **Plenary:** learners to submit Assignment (Task 1). Teacher to record work submitted by each learner.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	10 (180 minutes)

Lesson objectives	Learners must be able to: • prepare financial statements from given data • understand the contribution and limitations of ratio analysis to performance measurement.

Resources checklist	• Unit specification • Computers with internet access • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides and speaker notes • **AS:** Review feedback from Assignment Task 1 • **AS:** Preparation of financial statements • **AS:** Internet research on the limitations of ratio analysis
Key: **AS:** Activity Sheet; **TF:** Template Form; **PS:** Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** teacher to hand out assessed learner work Assignment (Task 1). Teacher to identify best practice points and addresses any weaknesses.
Main activities (150 minutes)	• **Teacher presentation:** teacher to provide exemplar response to Assignment Task 1. • **Individual learner activity:** learners to review the feedback from Assignment Task 1 and address the points made in teacher feedback. • **Teacher presentation:** recap on the main financial statements – profit and loss account, balance sheet, statement of cash flows. • **Individual learner activity**: learners to prepare financial statements from given data. • **Teacher presentation:** the contribution of ratio analysis to the measurement of trends in performance. • **Individual learner activity:** learners to carry out internet research to find out the limitations of ratio analysis (extracting relevant examples of each limitation). • **Teacher-led discussion:** learners' feedback on the outcome of the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write a letter of application for a given vacancy.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	11 (180 minutes)

Lesson objectives	Learners must be able to understand: • the concepts of profitability, liquidity and efficiency as measures of business performance and financial stability • how to calculate financial performance ratios • the influences on financial ratios.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation and slides • **AS:** Financial ratios calculations • **AS:** Actions taken to improve financial ratios
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** question and answer session to confirm understanding of the material covered in previous lesson. Short quiz – learners to fill in gaps in incomplete financial statements (learners mark their own work).
Main activities (150 minutes)	• **Teacher presentation:** measures of business performance – profitability, liquidity, and efficiency. • **Individual learner activity:** learners to perform calculations on the main financial ratios. • **Teacher-led discussion:** learners feed back with answers to the previous exercise. Teacher to highlight good practice and any financial presenting issues. • **Paired activity:** using the answers to the ratio calculations, learners to highlight the actions a business could take to improve the performance ratios. • **Teacher-led discussion:** learners feed back with responses from previous activity.
Concluding activity (20 minutes)	• **Plenary:** update on learner progress. Teacher to address learner questions.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	12 (180 minutes)

Lesson objectives	Learners must be able to understand: • the needs of stakeholder groups in respect of ratio analysis • the nature of business risks identified from an environmental analysis • the different financial objectives of private individuals and institutional investors.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Presentation slides • **AS:** Case study – business risks • **AS:** Factors influencing investment decisions
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** learners to complete simple ratio calculations from given financial data.
Main activities (90 minutes)	• **Teacher presentation:** ratio analysis and the needs and interests of different stakeholder groups. • **Paired activity:** case study – learners to identify the risks faced by a business, based on a range of financial data, and the outcome of an environmental analysis in relation to market conditions. • **Teacher-led discussion:** learners' feedback on outcomes from the previous activity. • **Paired activity:** learners to identify the factors that influence the investment decisions of potential investors in a business, compared to those institutions providing loan finance. • **Teacher-led discussion:** learners' feedback on outcomes from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** identify key learning points from the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	13 (180 minutes)

Lesson objectives	Learners must be able to understand: • the importance of financial ratios from the perspective of individual shareholders, potential investors, and institutional investors.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides • **AS:** Case study – comparing businesses' financial ratios • **AS:** Objectives of different types of institutional investors
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** questions and answers based on the content covered in the previous lesson.
Main activities (150 minutes)	• **Paired activity:** case study – two different businesses in different sectors of the economy. Learners to calculate relevant financial ratios to present a rationale for which business they would invest in. • **Teacher-led discussion:** feedback from previous activity. • **Teacher presentation:** case study **–** performance ratios from the perspective of individual shareholders and different types of institutional investor e.g. long-term wealth creation, low/high risk investment strategies, investment in companies which have not reached their full potential, specific international markets (Europe/ Asian/USA), tracker funds. • **Paired activity:** learners to research the objectives of different institutional investors and investment fund managers e.g. pension funds, life insurance companies, and investment funds. • **Teacher-led discussion:** feedback from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** identify key learning points from the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	14 (180 minutes)

Lesson objectives	Learners must be able to understand: • how financial ratios can influence the investment decisions of institutional investors.

Resources checklist	• Unit specification • Whiteboard and pens • Computers with internet access • Flipcharts and pens • **PS:** Presentation slides • **AS:** Case study – investment opportunities for institutional investors
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** questions and answers based upon the content covered in the previous lesson.
Main activities (150 minutes)	• **Paired activity:** learners to review the outcome of the case study completed in lesson 13 (ratio analysis of a range of different businesses). Learners to review the investment opportunities of different investment managers with different investment fund objectives. • **Learner presentations:** learners to present the outcomes from the previous activity. • **Teacher-led discussion:** feedback from previous activity. • **Teacher presentation:** an overview of the main aspects covered in Learning aim B and the implications for financial reporting.
Concluding activity (20 minutes)	• **Plenary:** identify key learning points drawn from the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	15-16 (360 minutes)

Lesson objectives	Learners must be able to understand: • how to apply financial ratios in a specific business context.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers • **PS:** Presentation slides • **AS:** Case study
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** introduce the case study. Teacher to take learners through the tasks and respond to questions from learners. (Note that learners should be presented with different data sets to allow for differentiation.)
Main activities (330 minutes)	• **Individual learner activity:** learners to complete case study. Learners are required to: ○ analyse financial statements ○ calculate financial ratios relating to profitability, liquidity and efficiency ○ identify trends in performance ○ identify business risks ○ evaluate business performance with reference to financial ratios ○ write a report to shareholders of the business ○ produce presentation slides (using appropriate software) and speaker notes.
Concluding activity (20 minutes)	• **Plenary (Lesson 15):** provide formative feedback. • **Plenary (Lesson 16):** confirm learning outcomes of the lessons. Learners to submit work completed on the case study.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	17 (180 minutes)

Lesson objectives	Learners must be able to understand: • the features of effective business presentations.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • PS: Presentation slides • AS: Presentation
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** outline the purpose of the presentations and the requirement to ask questions about each of the presentations.
Main activities (150 minutes)	• **Individual learner presentations:** learners to ask questions on each other's presentation. • **Teacher presentation:** feedback on the presentations and the written work completed on the case study.
Concluding activity (20 minutes)	• **Plenary:** Identify key learning points from the lesson.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	18-19 (360 minutes)

Lesson objectives	Learners must be able to: • complete Assignment Task 2.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Assessment recording documentation • Internal verification recording documentation • Assignment Task 2
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** introduce Assignment Task 2. Talk through the task and respond to questions from learners. (Note: teacher to provide data set.)
Main activities (330 minutes)	• **Individual learner activity**: learners to complete Assignment Task 2.
Concluding activity (20 minutes)	• **Plenary (Lesson 18):** teacher to collect work completed in lesson to hand back to the learners in Lesson 19. • **Plenary (Lesson 19):** learners to submit completed assignments. Teacher to check all assignment work has been submitted.

Lesson plan

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Lesson number	20 (180 minutes)

Lesson objectives	Learners must be able to: • review the assessment outcome of Assessment Task 2 • understand the relationships between key financial concepts explore in Unit 4 • provide feedback on Unit 4.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Assessment recording documentation • **PS:** Presentation slides • **AS:** Review of assessed work • **TF:** Feedback form
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** teacher to hand out assessed assignments (Task 2) and provide feedback to learners. Teacher to identify good practice points and any issues that need to be addressed.
Main activities (150 minutes)	• **Individual learner activity:** learners to review their individual work, and identify and address weaknesses. • **Teacher-led presentation:** present an overview of the main aspects covered in Learning aims A to C, identify relationships between the aims and how the unit links to other units within the programme. • **Teacher-led discussion:** discuss the main themes covered in the previous teacher presentation in relation to the learners' own work role and organisations. • **Individual learner activity:** learners to complete template to record their feedback.
Concluding activity (20 minutes)	• **Plenary:** collect feedback forms and discuss outcomes. Record in Course File.

Assignment brief

Qualification	Pearson BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 4: Financial Statements and Reporting
Learning aim(s)	A Understand theories, concepts and models relating to financial reporting B Understand financial reporting C Be able to interpret financial statements
Assignment title	Financial Statements and Performance Analysis
Assessor	
Issue date	
Hand-in deadline	

Vocational scenario or context	You are employed as a financial analyst. The Directors of Melodrome Ltd, a medium-sized limited company based in Uzbekistan, have employed you to prepare a set of documents which will inform the future strategic priorities of the business. The documents you are required to prepare will take the form of a briefing document and a business report and they will be based on an analysis and evaluation of Melodrome's financial statements for the last two years.

Task 1	Produce a briefing document for the Directors of Melodrome Ltd, a medium-sized business based in Uzbekistan, which provides an overview of why the business has to produce financial statements.
Checklist of evidence required	• The purpose of the document, summarising the topics, issues, main points and ideas • The evidence including the facts and any key details • A conclusion summarising the main points and highlighting any recommendations

Criteria covered by this task:	
Unit/criterion reference	**To achieve the criterion you must show that you are able to:**
A.P1	Explain the concept of financial reporting.
A.P2	Analyse financial reporting theories and models.
B.P1	Explain how financial reporting is regulated.
B.P2	Analyse how financial reporting is used by organisations.

Task 2	Prepare a financial report for the Directors of Melodrome Ltd which analyses the financial statements of the business and evaluates its performance over the last two years.
Checklist of evidence required	• Financial analysis that extracts relevant data to calculate financial performance ratios relating to: ○ profitability ○ liquidity ○ efficiency. • Financial report evaluating the performance of Melodrome Ltd. • A set of recommendations that could be taken forward by the business to deal with any of the performance issues highlighted in the report.

Criteria covered by this task:	
Unit/criterion reference	**To achieve the criterion you must show that you are able to:**
C.P1	Analyse an organisation's financial statements.
C.P2	Evaluate organisational performance and investment using financial ratios.

Sources of information to support you with this assignment	A prepared set of financial statements (profit and loss account and balance sheet) covering two separate financial years.
Other assessment materials attached to this assignment brief	Financial statements.

Unit 5: Management Accounting and Decision-Making

Delivery guidance

Approaching the unit

The purpose of this unit is to explore the ways in which the principles of management accounting can be applied in a business context, both in terms of short-term operational management decision-making, and longer-term strategic decisions.

Learners should have access to computers with internet access and be confident in using spreadsheet software.

It is recommended that this unit is taught *after* Unit 3: Principles of Management Accounting. This is because the topics covered in this management accounting and decision-making unit (Unit 5) build on the principles of management accounting covered in Unit 3.

It will be useful for learners to have a clear understanding of the difference between operational and strategic planning for the business decision-makers in an organisation. It is also useful if the learners understand the different decision-making roles in the business management organisational structure. The specification for this unit (Section B2 The decision-making process) highlights the stages in the decision-making process, which learners will find useful when recommending business decisions, following their analysis and evaluation of management accounting information.

There is a close relationship between business decision-making and business risks and it is therefore important that learners have a clear understanding of the contribution of management accounting to a business's approach to risk management.

Figure 1, below, provides an overview of how you should approach the delivery of this unit.

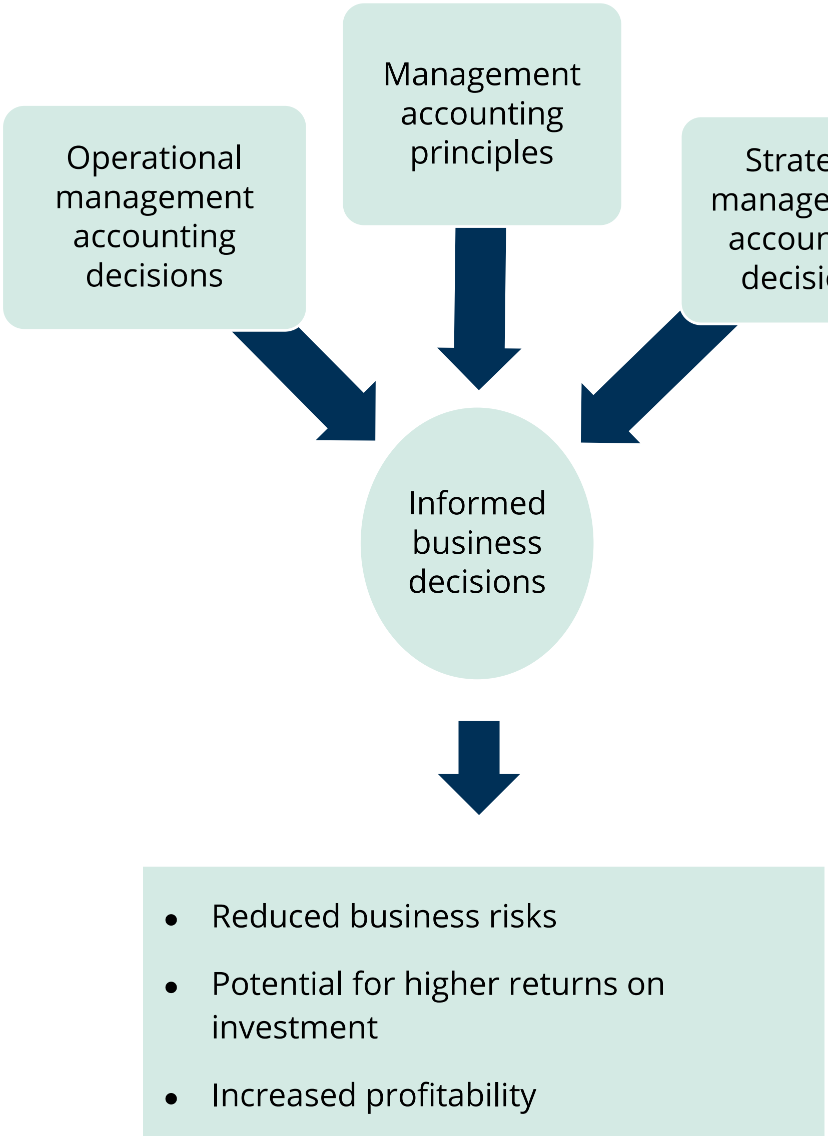

Figure 1: Approaching the unit

The overall aim of this unit is to develop learners' understanding of management accounting. The focus is on critically analysing management accounting techniques, and using management accounting to evaluate company performance. Learners will explore how the decisions taken through the use of management accounting techniques influence managerial behaviour across an organisation.

By this stage in the programme, learners should have already completed the first four units and you may find Figure 2, below, a useful reminder to the learners of how the five units that make up this Professional Diploma programme are linked together.

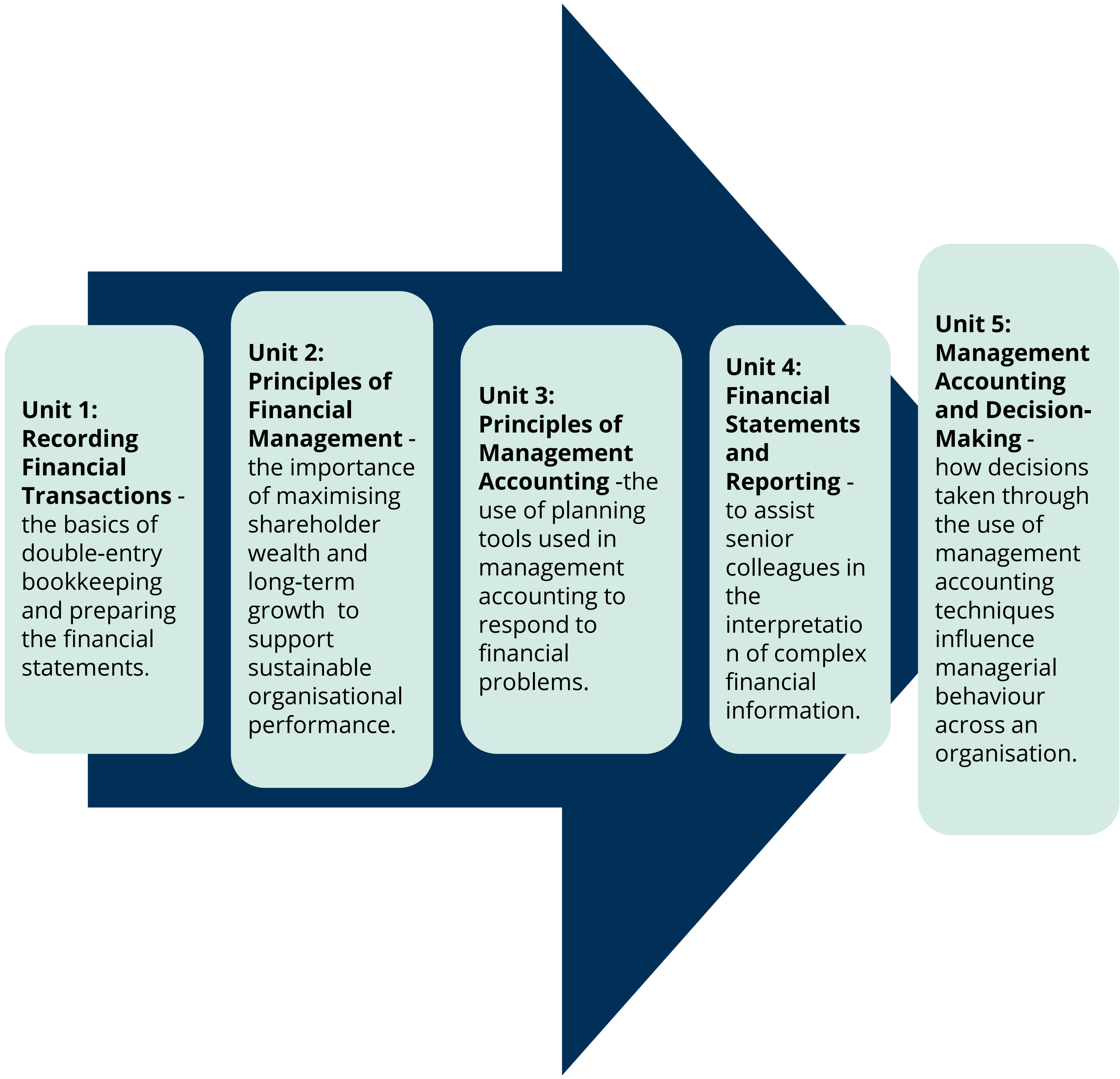

Figure 2: The relationship between the five units in the Accounting and Finance Level 5 Professional Diploma programme

Learners will have already been introduced to the preparation and interpretation of financial statements so that they can analyse business performance using ratio analysis (Unit 4: Financial Statements and Reporting). That unit would have involved evaluating and assessing the impact of business decisions and management actions taken *in the past*, and analysing their impact upon business performance.

This unit is mainly focused on making business decisions that will affect *future* business performance. Learners will therefore be introduced to some of the models used to analyse the factors that influence a business in both its internal and external operating environments. By carrying out this analysis, learners will have a better understanding of how management accounting can be incorporated into the strategic planning process.

The learners' own work roles and experiences should be used as sources of the different methods of, and approaches to, management accounting. For example, learners will be able to analyse how different approaches are used in the decision-making process from their own experiences.

In addition, the role of technology and, in particular, the use made of management information in business will be of special relevance in identifying some of the key themes developed throughout this unit.

The use of case studies taken from the business world can make a real difference to learners' understanding of the application of management accounting principles and techniques. Organising learners into small groups will provide them with the opportunity to discuss different approaches to achieving a business's long-term strategic objectives. It will also allow them the opportunity to consider their own attitudes towards business risks and the decisions they are willing to take in order to generate returns on business investment.

The Scheme of Work that accompanies the support material for this unit will help you deliver a logically consistent teaching programme that builds on the knowledge and skills of your learners.

Assessment

Learning aim	Key content areas	Recommended assessment approach
A Understand management accounting	**A1** The differences between management accounting and financial accounting **A2** Users of financial information **A3** Developing financial statements **A4** Presenting financial information	Case study: Business report on the contribution of management accounting to the decisions made in the context of a new strategic plan in a business
B Understand decision-making in the context of management accounting	**B1** Risks and risk management **B2** The decision-making process **B3** Management accounting techniques to support decision-making	
C Understand how management accounting informs decision-making	**C1** Standard costs **C2** Variances **C3** Controlling and correcting variances	
D Understand the impact of change in an organisation's environment on management accounting	**D1** Analysing changes to a business environment **D2** Impact of the environment on management accounting systems **D3** Impact of change on management accounting systems	

Assessment guidance

It is recommended that the assessment approach identify one case study assignment that requires learners to exhibit a range of different skills in a specific context.

Learning aims A, B C and D

The assignment for this unit covers all learning aims and requires learners to present a briefing document for the Finance Director of a business which is in the process of developing its next five-year strategic plan.

Learners need to show the relationship between management accounting, planning and decision-making. Learners need to show knowledge and understanding of how financial management affects a business's stakeholders. Reference should be made to relevant management accounting tools that can help the decision-making process.

This assignment is related to the strategic planning process and so learners will be required to link business planning with the tools used to analyse the environment in which the business operates.

It is suggested that the assignment is distributed to learners near the start of the teaching programme so that different sections of the report can be completed after the coverage of each learning aim. While there is only one task – the production of a business report – the intention of having a single task (a business report) is to reinforce to the learners the close connections between each learning aim.

The Scheme of Work included in this Delivery Guide provides more detail of how the assignment can be integrated within the teaching programme.

Learners are required to submit their completed assignment in the form of a business report and it would be useful for learners to be briefed on the format of business reports. The Specification does not lay down any specific recommendations in relation to the format of business reports but, as with reports completed in other units on this Professional Diploma programme, generally accepted conventions should be followed. These business report conventions include the:

- title of the report
- date
- author
- audience (who the report is written for)

- status (decision, or for information)
- introduction/executive summary
- numbered sections with headings
- conclusions
- recommendations.

Getting started

This gives you a starting place for one way of delivering the unit. It is based on the recommended assessment approach given in the specification.

Unit 5: Management Accounting and Decision-Making
Introduction Learners should be introduced to the key concepts that will be developed throughout this unit. These will include the needs and interests of different stakeholders, the concept of business risk, and the notion of 'risk appetite' and how risk appetite impacts on the decision-making process. The experience of the learners in their own work roles can be used to identify different approaches to decision-making in business, and the different approaches businesses take to identify, manage and control business risks. Learners could also provide examples of their own use of management information in their work roles, and discuss how they take responsibility for identifying and controlling operational risks. For example, some learners may be budget-holders who have responsibility for managing or controlling business resources. Learners may also be involved in the procurement process and, although this may not be directly linked to long-term capital investment decisions, the same approach can be adopted for both short-term procurement decisions in relation to costs, returns and risks, as well as long-term investment decisions. To summarise, all business decisions will impact on either costs or revenue that, in turn, will affect the performance of the business. This unit therefore considers how a robust management accounting framework can have a direct impact on the measurement and improvement of business performance.
Learning aim A: Understand management accounting
If the whole programme has been designed in line with the proposed structure identified in Figure 2, learners will be familiar with the format, presentation and content of the financial statements.

Unit 5: Management Accounting and Decision-Making
In this learning aim, the focus will be on the use and relevance of these financial statements to some of the main business stakeholders (investors, senior management, banks and government). Therefore the unit focuses on the following aspects: • comparing the performance of different businesses using the respective financial statements and identifying any issues in terms of performance (alternatively, if using the same business, use trend analysis over time) • analysing the impact of business performance on different stakeholder groups • identifying any risks faced by the business in relation to profitability and liquidity • evaluating a range of business decisions aimed at addressing under-performance • reviewing these decisions in the context of business risk and risk appetite.
Learning aim B: Understand decision-making in the context of management accounting

This part of the unit provides learners with the opportunity to apply management accounting techniques and principles to business decision-making. This involves the following aspects: tactical, operational and strategic decisions.
In all of these cases learners should be required to consider the possible risks associated with different options and to compare their responses to the rest of the group. In this way the learners will be able to build up a profile of their own individual risk appetite when applied to business decision-making.
The specification refers to a (seven-stage) decision-making process from the initial stage of identifying the objective to the final stage of reviewing the outcome of the decision. This model is a useful reference point when learners are required to consider business scenarios and case studies involving business decisions.
• Operational decisions:
  ○ Decisions relating to how the business manages its business operations. In terms of management accounting this will involve decisions relating to budgets and budget variances.
  ○ Junior managers with budgetary responsibilities will be involved with these types of decisions.

Unit 5: Management Accounting and Decision-Making

• Tactical decisions:
  o These decisions are closely associated with a business's response to market conditions. For example, Cost Volume Profit (CVP) analysis is closely associated with break-even analysis and can help the business decide its pricing and output decisions in the face of market competition. In addition, decisions relating to marginal and absorption costing are likely to be taken at this tactical level.
  o Middle and senior managers are closely allied to such tactical decisions.
• Strategic decisions:
  o The long-term decisions involving capital investment and the appraisal and calculation of returns on this investment.
  o Senior managers involved in the strategic planning process take these decisions.

Learning aim C: Understand how management accounting informs decision making
Those learners who work in manufacturing businesses may have responsibility for costing. For example, some of your learners may be required to cost out a job for a customer. If this is the case, use their experience to provide examples of how cost cards can be completed, using standard costing. Similarly, some learners may have budgetary responsibilities and are therefore likely to be familiar with the concept of budget variances and the actions that may need to be taken to address such variances. Learners should be made aware that not all unfavourable cost variances are a problem. They should understand that they could be the result of unplanned or unexpected business growth. For example, a budget may have been formulated on the basis of a planned annual workload, which has since increased due to the award of a major contract. Useful exercises that help to improve knowledge and understanding in this learning aim include: • completing a costing sheet/job card using standard costs, to calculate specific elements of a job, such as fixed costs and variable costs (labour, materials) • budget-setting and monitoring • calculating variances • working out the reasons why variances may arise • identifying ways to address variances.

Unit 5: Management Accounting and Decision-Making
Learners should critically review favourable variances in order to find out if they result from poor budgetary planning assumptions rather than the business taking positive actions to increase revenue streams or reduce costs.
Learning aim D: Understand the impact of change in an organisation's environment on management accounting

This learning aim introduces learners to some of the tools used in the strategic planning process. Learners are expected to use these tools to analyse both the internal and external business environments, and identify the implications for the decisions made by the management accountant and other senior managers involved in preparing a strategic plan. A number of planning tools should be considered:
• SWOT analysis (strengths, weaknesses, opportunities and threats):
  ○ learners should use case studies to apply SWOT analysis in different contexts, for example, a business seeking to introduce a new product into the market.
• Political, economic, social, technological, legal and environmental analysis (PESTLE):
  ○ for example, a multinational business seeking to expand into overseas markets such as Uzbekistan would be likely to conduct a PESTLE analysis to identify the factors that will impact upon its strategic direction in the country
  ○ competitor analysis (size, market share, growth, weaknesses, strengths, unique selling proposition (USP))
  ○ Porter's Five Forces analysis (supplier power, buyer power, threat of substitution, threat of new entry, competitive rivalry).
• Learners should explore how the outcome of this analysis could impact on management accounting. For example:
  ○ the potential impact on costs (e.g. potential for cost savings on raw materials; increases in labour costs)
  ○ impact of government policies (e.g. fiscal policy – tax changes; international trade – tariffs and quotas; exchange rate fluctuations and the impact on importers and exporters)
  ○ changes in market conditions (e.g. price wars, increase in competition)
  ○ opportunities for cost savings via capital investment (e.g. advances in technology)
  ○ changes in management accounting systems.

Details of links to other BTEC units and qualifications

This unit links with all other units in the programme. **Figure 2**, in the section *Approaching the unit*, shows a suggested model for delivering this programme.

Resources

Textbooks

Horngren C, Sunden G, Stratton W, Burgstahler D and Schatzberg J – *Introduction to Management Accounting* (Global edition), Pearson (2013), ISBN-13: 9780273790013

This book provides a good overview of all the content covered in this unit. It is also useful for Unit 3: Principles of Management Accounting

Videos

Introduction to Management Accounting
https://www.youtube.com/watch?v=70h_MSyLVbs

This YouTube video provides a useful overview of the functions and role of management accounting in a business.

Websites

https://www.accountingcoach.com

This is a specialist accounting website with separate sections containing specific aspects of accounting. It also has a useful set of multiple-choice questions to test knowledge and understanding.

https://www.businessballs.com

This is a general business studies website that can be used to contextualise some of the decisions taken by a management accountant.

https://www.tutor2u.net

This is a general business studies website with specialist sections for all aspects of financial and management accounting. It includes videos, worksheets and presentations on management accounting topics that are covered in this unit.

Pearson is not responsible for the content of any external internet sites. It is essential for teachers to preview each website before using it in class so as to ensure that the URL is still accurate, relevant and appropriate. We suggest that teachers bookmark useful websites and consider enabling students to access them through the school/college intranet.

Scheme of work

Unit	Management Accounting and Decision-Making
Guided Learning Hours	60
Number of lessons	20
Duration of lessons	3 hours
Links to other units	All other units (this should be the final unit taught)

Key to learning opportunities			
AW	Assignment Writing	**RS**	Revision Session
GS	Guest Speaker	**V**	Visit
IS	Independent Study	**WE**	Work Experience

#	Topic	Lesson type	Suggested activities	Resources
1	The differences between management accounting and financial accounting		Teacher-led presentation: introduce the unit and how it will be assessed. • **Paired activity:** identify the differences between management accounting and financial accounting. • **Class discussion:** learners' feedback on the previous activity. • **Teacher-led presentation:** teacher to present overview of the differences between management accounting and financial accounting.	Unit specification Whiteboard and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
			• **Group activity:** learners work on case study using the financial statements based on a specific business. • **Class discussion:** learners to feed back responses from the previous activity. • **Plenary:** recap of key learning points.	
2	Management information and decision-making		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** financial statements, drawing out the differences between data and management information. Users of financial information. • **Paired activity:** learners to analyse a case study, including trend analysis based on the financial statements. • **Class discussion:** learners to feed back responses from the previous activity. • **Paired activity:** learners to complete the case study of financial statements based on ratio analysis and its use in management accounting. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** teacher to present an overview of the themes covered in Learning aim A.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets Computers with internet access

#	Topic	Lesson type	Suggested activities	Resources
			• **Plenary:** recap of key learning points.	
3	Business risks and risk management strategies		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** business risks and the nature of business risks; classifications of business risks. • **Paired activity:** learners work on a case study to identify different classifications of business risks. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** risk management strategies. • **Paired activity:** learners to identify the risk management strategies in relation to the risks identified in the previous case study. • **Class discussion:** learners to feed back responses from the previous activity. • **Plenary:** recap of key learning points.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets Template Computers with internet access
4	Risk management plans		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** purpose, scope and features of risk management plans.	Unit specification Whiteboard and pens Flipcharts and pens

#	Topic	Lesson type	Suggested activities	Resources
			• **Paired activity:** learners to carry out research to identify the risks to major corporations. • **Class discussion:** learners to feed back responses from the previous activity. • **Group activity:** case study - learners to identify and classify risks, and complete a risk management plan template. • **Group presentations:** each group of learners to present part of their risk management plan. • **Class discussion:** learners to feed back responses from the previous activity. • **Plenary:** recap of key learning points.	Presentation slides and notes Activity sheets Risk management plan template Computers with internet access
5	Decision-making in business		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** stages in the decision-making process and risk management strategies. • **Paired activity:** case study using the decision-making model. Learners to complete a risk management plan for the decisions they are proposing. • **Learner presentations:** learners present the outcomes of the previous activity.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets Decision-making template including a risk management plan

#	Topic	Lesson type	Suggested activities	Resources
			• **Plenary:** recap of key learning points.	
6	Assignment workshop	IS	• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** teacher to present Unit 5 Assignment. Teacher to take the learners through the main aspects covered by the task and relate the task to the assessment criteria. • **Individual learner activity:** learners to read through notes of lessons covered so far and the material covered in the previous unit (Unit 4) to plan their responses to the different stages of the assignment. **Plenary:** teacher to respond to any points of clarification or issues about the assignment raised by the learners.	Unit specification Computers with internet access Whiteboard and pens Presentation slides Activity sheet Unit 5 Assignment Assessment recording documentation Internal verification recording documentation
7	Operational management accounting techniques		• **Lead-in:** recap of the previous lesson. Questions and answers. Learners to then identify different costs associated with the manufacture of a simple product. • **Teacher-led presentation:** cost analysis and classification. • **Quiz:** classify different types of costs. • **Teacher-led presentation:** break-even analysis and the margin of safety.	Unit specification Whiteboard and pens Presentation slides Activity sheets Flipcharts and pens

#	Topic	Lesson type	Suggested activities	Resources
			• **Individual learner activity:** learners perform calculations involving break-even analysis, the margin of safety and business decisions. • **Teacher-led presentation:** cost volume profit (CVP) analysis. • **Individual learner activity:** learners to perform calculations involving CVP and business decisions. • **Class discussion:** the implications of break-even analysis and CVP analysis for the management accountant. • **Plenary:** recap of key learning points.	
8	Budgeting		• **Lead-in:** recap of the previous lesson. Teacher returns assessed work (Unit 5 Assignment) and deals with any questions and answers. • **Teacher-led presentation:** budgeting and the approaches to budget setting. • **Paired activity:** learners to identify the advantages and disadvantages of different approaches to budget setting. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** the behavioural aspects of budgeting.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets Computer with internet access

#	Topic	Lesson type	Suggested activities	Resources
			• **Paired activity:** learners to prepare a budget-setting procedure. • **Class discussion:** learners to feed back responses from the previous activity. • **Plenary:** recap of key learning points.	
9	Absorption and marginal costing	IS	• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** absorption and marginal costing. • **Individual learner activity:** learners to perform calculations involving absorption and marginal costings. • **Teacher-led presentation:** comparison of profit under marginal and absorption costings. • **Individual learner activity:** learners to perform calculation of profit involving absorption and marginal costings. • **Class discussion:** arguments in favour of absorption costings. Arguments in favour of marginal costings. • **Plenary:** recap of key learning points.	Unit specification Whiteboard and pens Presentation slides Flipcharts and pens Activity sheet

#	Topic	Lesson type	Suggested activities	Resources
10	Capital investment appraisal techniques		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** investment appraisal techniques. • **Paired activity:** learners perform calculations involving investment appraisal techniques. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** long-term and short-term decision-making. • **Group activity:** learners explore case study about operational management accounting and long-term capital appraisal techniques, management decisions, and business risks. • **Group presentations:** learners' feedback from the previous activity. • **Class discussion:** teacher feedback on presentations to encourage discussion. • **Plenary:** recap of key learning points. • **Individual learner activity:** learners to complete calculations on different types of capital appraisal techniques.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheets

#	Topic	Lesson type	Suggested activities	Resources
11	Assignment workshop	AW, IS	• **Lead-in:** recap of the previous lesson. Questions and answers confirming understanding of Learning aim C. • **Teacher-led presentation:** teacher to summarise the content of the Unit 5 Assignment (distributed in Lesson 6) and highlight the purpose and features of different types of business report formats. Teacher to respond to any questions raised by the learners. • **Individual learner activity:** learners to read through the notes of the lessons covered so far in this unit (Unit 5) and draw on the knowledge and understanding covered in the other units on the Accounting and Finance Level 5 Professional Diploma, to continue working on the Unit 5 Assignment. Learners to practise writing a business report in a specific format. • **Plenary:** teacher to respond to any questions or issues raised by the learners. • **Individual learner activity:** learners to complete writing the first section of the business report (Unit 5 Assignment) started in the lesson.	Unit specification Whiteboard and pens Unit 5 Assignment Assessment recording documentation Internal verification recording documentation Flipcharts and pens
12	Standard costs and budgeting		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** standard costing.	Unit specification Whiteboard and pens Presentation slides

#	Topic	Lesson type	Suggested activities	Resources
			• **Individual learner activity:** learners to complete job cards using standard costing information. • **Class discussion:** learners to feed back responses from the previous activity. • **Individual learner activity:** learners to prepare a range of cost and revenue budgets using standard costs. • **Plenary:** recap of key learning points.	Activity sheets Flipcharts and pens Unit 5 Assignment
13	Variance analysis		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** introduction to variances; favourable and unfavourable variances and their implications. • **Individual learner activity:** learners perform variance analysis calculations using different budget headings. • **Class discussion:** learners to feed back responses from the previous activity. • **Plenary:** recap of key learning points.	Unit specification Whiteboard and pens Presentation slides Activity sheet Flipcharts and pens
14	Controlling and correcting variances		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** budget variances.	Unit specification Whiteboard and pens Presentation slides

#	Topic	Lesson type	Suggested activities	Resources
			• **Paired activity:** learners to explore a case study analysing the reasons for variances and suggesting management actions to address the variances. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** management actions to address budget variances. • **Paired activity:** learners to explore the role of the management accountant in setting costs, setting and managing budgets and addressing variances. • **Class discussion:** learners' feedback from the previous activity – the responsibilities of budget holders in a business. • **Teacher presentation:** teacher to present an overview of the themes covered in Learning aim C. • **Plenary:** recap of key learning points. • **Individual learner activity:** learners to explore a case study critically evaluating how management has addressed budget variances in a manufacturing business (materials, labour and overheads, and sales budgets).	Activity sheets Flipcharts and pens

#	Topic	Lesson type	Suggested activities	Resources
15	Analysing changes to the business environment		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** SWOT and PESTLE analysis, including the features of each method. • **Paired activity:** learners to research two business organisations and carry out a SWOT analysis on one and a PESTLE analysis on the other. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** competitor analysis and Porter's Five Forces analysis. • **Paired activity:** learners to research two business organisations and carry out a competitor analysis and Porter's Five Forces analysis. • **Class discussion:** learners to feed back responses from the previous activity. • **Plenary:** recap of key learning points. • **Individual learner activity:** learners to identify the implications of the PESTLE, SWOT and competitor analyses for the businesses considered in the lesson.	Unit specification Whiteboard and pens Presentation slides Activity sheets Flipcharts and pens Computers with internet access

#	Topic	Lesson type	Suggested activities	Resources
16	Applying PESTLE and SWOT analysis		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** how to apply SWOT and PESTLE to work out business risks, strategic priorities and business objectives. • **Paired activity:** learners to explore a case study of a corporation applying SWOT, PESTLE, competitor analysis and Porter's Five Forces model. Business risks and management decisions. • **Learner presentations:** learners' feedback on the previous activity. • **Class discussion:** the main issues arising from the case study and learner presentations. • **Plenary:** recap of key learning points. • **Individual learner activity:** learners to critically analyse the contribution of the planning models on the strategic planning process considered in the last two lessons.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides Activity sheet Computers with internet access
17	The impact of changes to the business environment on the business		• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** impact of the environment on management accounting systems.	Unit specification Whiteboard and pens Flipcharts and pens Presentation slides

#	Topic	Lesson type	Suggested activities	Resources
			• **Paired activity:** learners to research the features of integrated and non-integrated management accounting systems. • **Teacher presentation:** the influence of technology on management information, management accounting and risk evaluation and management decisions in integrated and non-integrated cost accounting systems. • **Paired activity:** learners to share experiences in the use of management information, management accounting and decision-making in own business and current job role. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** teacher to present an overview of the themes covered in Learning aim D. • **Plenary:** recap of key learning points. • **Individual learner activity:** learners to identify the management information needs of the main functional areas in relation to a specific management decision.	Activity sheet Computers with internet access

#	Topic	Lesson type	Suggested activities	Resources
18-19	Assignment workshop	AW, IS	• **Lead-in:** recap of the previous lesson. Questions and answers. • **Teacher-led presentation:** teacher to provide final briefing on the Unit 5 assignment requirements and work completed by learners in the two previous assignment workshops (Lesson 6 and Lesson 11). • **Individual learner activity**: learners to complete the Unit 5 Assignment. • **Plenary (Lesson 18):** teacher to collect work completed in lesson to hand back to the learners in lesson 19. Learners to then complete the rest of the Unit 5 Assignment. • **Plenary (Lesson 19):** learners to submit completed assignments. Teacher to check all assignment work has been submitted. • **Plenary (general):** recap of key learning points.	Unit specification Assessment recording documentation Internal verification recording documentation Unit 5 Assignment Whiteboard and pens Flipcharts and pens Computers with internet access

#	Topic	Lesson type	Suggested activities	Resources
20	Assessment review and feedback	IS	• **Lead-in:** teacher to hand out assessed Unit 5 Assignment and provide feedback to learners. Teacher to identify good practice points and any issues that need to be addressed. • **Individual learner activity:** learners to review their own individual work. Each learner identifies and addresses own weaknesses. • **Teacher-led presentation:** present an overview of the main aspects covered in Learning aims A to D. Identify relationships between the aims, and how the unit links to other units within the programme. • **Class discussion:** the main themes covered in the previous teacher presentation in relation to the learners' own work role and organisations. • **Individual learner activity:** learners complete template to record their feedback. • **Class discussion:** teacher to collect feedback forms and discuss outcomes.	Unit specification Assessment recording documentation Unit 5 Assignment Whiteboard and pens Flipcharts and pens Feedback template Computers with internet access

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	1 (180 minutes)

Lesson objectives	Learners must be able to understand: • the differences between management accounting and financial accounting • the use of the financial statements by different user groups requiring financial information and management information.

Resources checklist	• Unit specification • Whiteboard and pens • **PS:** Teacher presentation slides and notes • **AS:** Identify the differences in management accounting and financial accounting • **AS:** Identify how the financial accountant and the management accountant could use the data from the financial statements to aid decision-making
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Teacher-led presentation:** introduce the unit and how it will be assessed.
Main activities (150 minutes)	• **Paired activity:** identify the differences between management accounting and financial accounting. • **Class discussion:** learners' feedback on the previous activity. • **Teacher-led presentation:** teacher to present an overview of the differences between management accounting and financial accounting. • **Group activity:** case study using the financial statements based on a specific business. Learners identify how the financial accountant and the management accountant could use the data from the financial statements to aid decision-making. • **Class discussion:** learners to feed back responses from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and start compiling a glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	2 (180 minutes)

Lesson objectives	Learners must be able to understand: • the differences between management accounting and financial accounting • how the outcome of ratio analysis can assist the decisions made by a management accountant.

Resources checklist	• Computers with internet access • Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Teacher presentation slides and notes • **AS:** Trend analysis • **AS:** Ratio analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of the previous lesson. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** review of the main types of financial statements; explain the differences between data and management information in relation to the decision-making process; draw out the distinction that management information is generated from processed data; establish the link between management information, risk assessment and business decision-making. • **Paired activity:** learners to analyse a case study including trend analysis based on the financial statements. They consider the management information based on trend analysis. • **Class discussion:** learners to feed back responses from the previous activity. • **Paired activity:** learners to complete the case study of financial statements based on ratio analysis (covered in the units on Financial Management). They must also identify how management accounting may be able to use the outcome of ratio analysis to inform management accounting decisions in the future of a business. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** teacher to present an overview of the themes covered in Learning aim A.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	3 (180 minutes)

Lesson objectives	Learners must be able to understand: • how to classify business risks • the strategies employed to address different classifications of business risks.

Resources checklist	• Computers with internet access • Unit specification • Whiteboard and pens • Flipcharts and pens • **TF**: Risk classification and risk management strategies • **PS:** Teacher presentation slides and notes • **AS:** Classification of business risks • **AS:** Risk management strategies
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** review of the previous lessons on stakeholder expectations. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** business risks – the nature of business risks; classifications of business risks. • **Paired activity:** involving a case study to identify different classifications of business risks. Learners to complete the first part of the pre-prepared template. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** risk management strategies. • **Paired activity:** learners to identify risk management strategies in relation to the risks identified in the previous case study. Learners to then complete the template. • **Class discussion:** learners to feed back responses from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	4 (180 minutes)

Lesson objectives	Learners must be able to: • understand the purpose, scope and features of risk management plans • prepare a risk management plan.

Resources checklist	• Computers with internet access • Unit specification • Whiteboard and pens • Flipcharts and pens • **TF:** Risk management plan • **PS:** Teacher presentation slides and notes • **AS:** Internet research on corporations
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** questions and answers on the learning points from the previous lesson to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** purpose, scope and features of risk management plans. • **Paired activity:** learners to carry out research to identify the risks to major corporations (The Annual Reports of most major corporations will include a section about business risks). • **Class discussion:** learners to feed back responses from the previous activity. • **Group activity:** case study – learners to identify and classify risks and complete a risk management plan template. (The template should be in a table format, including risk identified, classification of risk, evaluation of risk, risk management strategies, monitoring and management responsibilities.) • **Group presentations:** each group presents part of their risk management plan. • **Class discussion:** learners to feed back responses from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	5 (180 minutes)

Lesson objectives	Learners must be able to understand: • the stages of the decision-making process • the relationship between decision-making and risk management strategies.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Teacher presentation slides and notes • **TF:** Decision-making template, including a risk management plan • **AS:** Case study about risks, risk management strategies and decision-making
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** stages in the decision-making process and risk management strategies. • **Paired activity:** case study – learners to make a series of decisions using the decision-making process model (see Specification B2). Learners should highlight the risks involved in each decision, and complete a risk management plan for the decisions they are proposing. • **Learner presentations:** learners to present the outcome of the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	6 (180 minutes)

Lesson objectives	Learners must be able to understand: • the tasks covered in the Unit 5 Assignment.

Resources checklist	• Unit specification • Whiteboard and pens • Computers with internet access • Unit 5 Assignment • Assessment recording documentation • Internal verification recording documentation • **PS:** Presentation slides • **AS:** Assignment 1
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	**Teaching notes**
Starter activity (10 minutes)	• **Lead-in:** question and answer session on previous lesson to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** teacher to present the Unit 5 Assignment. Teacher to take the learners through the main aspects covered by the task and relate the task to the assessment criteria. • **Individual learner activity:** learners to read through notes of lessons covered so far, and the material covered in the previous unit (Unit 4) to plan out responses to the first part of the assignment.
Concluding activity (20 minutes)	• **Plenary:** respond to any questions or issues about the assignment raised by the learners.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	7 (180 minutes)

Lesson objectives	Learners must be able to: • understand and apply break-even analysis • calculate the break-even point and the margin of safety • understand and apply Cost Volume Profit (CVP) analysis.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Teacher presentation slides and notes • **AS:** Quiz • **AS:** Break-even analysis • **AS**: CVP analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (20 minutes)	• **Lead-in:** learners to identify different costs associated with the manufacture of a simple product, for example a wooden crate. Learners to identify any characteristics of different types of costs in relation to the production process and the activities used to support the production process. Learners to link these costs to changes in production levels.
Main activities (210 minutes)	• **Teacher-led presentation:** cost analysis and classification. • **Quiz:** classify different types of costs. • **Teacher-led presentation:** break-even analysis and the margin of safety. • **Individual learner activity:** learners to perform calculations involving break-even analysis, the margin of safety and business decisions. • **Teacher-led presentation:** cost volume profit (CVP) analysis. • **Individual learner activity:** learners to perform calculations involving CVP and business decisions. • **Class discussion:** use the responses from learners' activities to consider the implications of break-even analysis and CVP analysis for the management accountant. Discuss limitations of break-even analysis.
Concluding activity (10 minutes)	• **Plenary:** recap of key learning aims.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	8 (180 minutes)

Lesson objectives	Learners must be able to understand: • the purpose and principles of budget-setting • the features of different approaches to budget-setting and their advantages and disadvantages • the implications for management accounting of the behavioural implications of budget-setting, and budget monitoring.

Resources checklist	• Unit specification • Computers with internet access • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides and notes • **AS**: Identify the advantages and disadvantages of different approaches to budget-setting • **AS:** Recommend a budget-setting procedure
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** teacher to return assessed work (Unit 5 Assignment). Teacher to identify learners' good practice points and address weaknesses. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** budgeting and the approaches to budget setting. • **Paired activity**: learners to identify the advantages and disadvantages of different approaches to budget setting. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** the behavioural aspects of budgeting. • **Paired activity:** learners to prepare a budget-setting procedure that the management accountant could adopt. This should address the disadvantages of different approaches to budget setting and the associated behavioural implications of those disadvantages. • **Class discussion:** learners to feed back responses from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	9 (180 minutes)

Lesson objectives	Learners must be able to understand: • marginal and absorption methods of costing and how both methods impact on reported profits.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides • **AS:** Calculations involving absorption and marginal costings • **AS:** Calculation of profit involving absorption and marginal costings
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** overview of the previous lesson. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** absorption and marginal costing. • **Individual learner activity:** learners to perform calculations involving absorption and marginal costings. • **Teacher-led presentation:** comparison of profit under marginal and absorption costings. • **Individual learner activity:** learners to perform a calculation of profit involving absorption and marginal costings. • **Class discussion:** arguments in favour of absorption costings; arguments in favour of marginal costings.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up their notes and update the glossary of key terms.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	10 (180 minutes)

Lesson objectives	Learners must be able to understand: • the methods used to appraise capital investment projects • the implications of investment appraisal on management decision-making.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides and speaker notes • **AS:** Investment appraisal calculations • **AS:** Case study about investment appraisal and management decisions
Key: **AS:** Activity Sheet; **TF:** Template Form; **PS:** Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** overview of the previous lesson. Question and answer session with learners to confirm understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** investment appraisal techniques. • **Paired activity:** learners to perform calculations involving investment appraisal techniques. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** long-term and short-term (operational) decisions and the link with risk analysis and risk evaluation; the role of risks in business planning. • **Group activity:** learners explore a case study to consider both operational management accounting and long-term capital appraisal techniques when reaching management decisions and analysing risks. Link with the business planning process. • **Group presentations:** feedback from the previous activity. • **Class discussion:** teacher feedback on presentations to encourage discussion.
Concluding activity (20 minutes)	• **Plenary:** confirm the main learning points identified in the lesson.
Private study	• **Individual learner activity:** learners to write up notes of the main points from the class discussion. Learners to complete calculations on different types of capital appraisal techniques.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	11 (180 minutes)

Lesson objectives	Learners must be able to: • research tasks associated with Unit 5 Assignment.

Resources checklist	• Unit specification • Whiteboard and pens • Unit 5 Assignment • Assessment recording documentation • Internal verification recording documentation • Flipcharts and pens
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** question and answer session to confirm understanding of the material covered in Learning aim C.
Main activities (150 minutes)	• **Teacher-led presentation:** teacher to summarise the requirements of the Unit 5 Assignment and present learners with examples of the format for business reports, highlighting the purpose of a business report, the layout of reports and examples of good practice. This might include different section headings, numbering sequence, executive summary, conclusions and recommendations. • **Individual learner activity:** learners to read through notes covered in previous Unit 5 lessons and also other units covered in the Accounting and Finance Level 5 Professional Diploma. This confirms knowledge and understanding of the subject matter. Learners to practise writing the first section of their business report, as required in the Unit 5 Assignment.
Concluding activity (20 minutes)	• **Plenary:** respond to any questions or issues raised about the assignment by the learners.
Private study	• **Individual learner activity:** learners to complete writing the first section of the business report (Unit 5 Assignment) started in the lesson.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	12 (180 minutes)

Lesson objectives	Learners must be able to understand: • the principles of standard costing • how to complete a job card • how to prepare a budget using standard costs.

Resources checklist	• Unit specification • Unit 5 Assignment • Whiteboard and pens • Flipcharts and pens • Presentation slides • **AS:** Complete a job card • **AS:** Prepare budgets
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** review research work completed by learners in previous lesson and clarify requirements for the remaining parts of the Unit 5 Assignment.
Main activities (150 minutes)	• **Teacher-led presentation:** standard costing. • **Individual learner activity:** learners to complete job cards using standard costing information. • **Class discussion:** learners to feed back responses from the previous activity. Learners to identify each variance as favourable or not favourable. • **Individual learner activity:** learners to prepare a range of cost and revenue budgets using standard costs (cost budgets for materials, labour and overheads and sales budgets).
Concluding activity (20 minutes)	• **Plenary:** confirm key learning points drawn from the lesson.
Private study	• **Individual learner activity:** learners to complete glossary of key terms used during the lesson.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	13 (180 minutes)

Lesson objectives	Learners must be able to: • understand the difference between favourable and adverse variances • be able to complete calculations involving variances.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Presentation slides • **AS:** Variance analysis calculations
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of the previous lesson. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** introduction to variances and favourable and unfavourable variances, and their implications. • **Individual learner activity:** learners to perform variance analysis calculations using different budget headings. Learners to identify variance as favourable or unfavourable. • **Class discussion:** learners to feed back responses from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** identify key learning points from the lesson.
Private study	• **Individual learner activity:** learners to complete glossary of key terms used in the lesson.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	14 (180 minutes)

Lesson objectives	Learners must be able to understand: • the reasons why variances arise • the role of the management accountant.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • **PS:** Presentation slides and notes • **AS:** Analyse the reasons for variances • **AS:** The role of the management accountant
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of the previous lesson. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** addressing budget variances. • **Paired activity:** learners to explore a case study analysing the reasons for variances and suggesting management actions to address the variances. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** management actions to address budget variances (both favourable and adverse). • **Paired activity:** learners to explore the role of the management accountant in setting costs, setting and managing budgets and addressing variances. • **Class discussion:** learners' feedback from the previous activity – the responsibilities of budget holders in a business. • **Teacher-led presentation:** teacher to present an overview of the themes covered in Learning aim C.
Concluding activity (20 minutes)	• **Plenary:** recap of key learning aims.
Private study	• **Individual learner activity:** learners to explore a case study critically evaluating how management has addressed budget variances in a manufacturing business (materials, labour and overheads, and sales budgets).

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	15 (180 minutes)

Lesson objectives	Learners must be able to understand: • the tools used to analyse the business environment.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • **PS:** Presentation slides and notes • **AS:** PESTLE and SWOT • **AS:** Competitor Analysis and Porter's Five Forces analysis
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of the previous lesson. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** SWOT and PESTLE analysis; the features of each method, clearly identifying those factors in the internal environment and those in the external environment. • **Paired activity:** learners to research two business organisations and carry out a SWOT analysis on one and a PESTLE analysis on the other one. The research should be conducted using the internet. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** competitor analysis and Porter's Five Forces analysis. The research should be conducted using the internet. • **Paired activity:** learners to research two business organisations and undertake a competitor analysis and Porter's Five Forces analysis. • **Class discussion:** learners to feed back responses from the previous activity.
Concluding activity (20 minutes)	• **Plenary:** recap of key learning aims.
Private study	• **Individual learner activity:** learners to identify the implications of the PESTLE, SWOT and competitor analyses for the businesses considered in the lesson.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	16 (180 minutes)

Lesson objectives	Learners must be able to: • understand how to apply business models used to analyse the business environment.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • **PS:** Presentation slides and notes • **AS:** Internet research to analyse the environment in which a major corporation operates
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of the previous lesson. Questions and answers to confirm learners' understanding.

Main activities
 	
(150 minutes)
	• **Teacher-led presentation:** how to apply SWOT and PESTLE to work out business risks, strategic priorities and business objectives.
	• **Paired activity:** learners to explore a case study of a corporation where models are applied to analyse the business environment. The models are:
	  o SWOT, PESTLE, competitor analysis, Porter's Five Forces analysis
	  o business risks (analysis, classification and evaluation)
	  o management decisions (strategic and operational).
	• **Learner presentations:** feedback on previous activity.
	• **Class discussion:** the main issues arising from the case study and learner presentations.

Concluding activity (20 minutes)	• **Plenary:** recap of key learning aims.
Private study	• **Individual learner activity:** learners to critically analyse the contribution of the planning models on the strategic planning process considered in the last two lessons.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	17 (180 minutes)

Lesson objectives	Learners must be able to understand: • the impact of the business environment on management accounting • the features of integrated and non-integrated management systems • the impact of technology on the functions of management accounting.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • **PS:** Presentation slides and notes • **AS:** Integrated and non-integrated management accounting systems • **AS:** Management accounting functions in own job role
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of the previous lesson. Questions and answers to confirm learners' understanding.
Main activities (150 minutes)	• **Teacher-led presentation:** impact of the environment on management accounting systems. • **Paired activity:** learners to research the features of integrated and non-integrated management accounting systems. • **Teacher-led presentation:** the influence of technology on management information, management accounting, risk evaluation and management decisions in integrated and non-integrated cost accounting systems. • **Paired activity:** learners to share experiences in own business and current job role in the use of management information, management accounting and decision-making. • **Class discussion:** learners to feed back responses from the previous activity. • **Teacher-led presentation:** an overview of the themes covered in Learning aim D.
Concluding activity (20 minutes)	• **Plenary:** recap of key learning aims.
Private study	• **Individual learner activity:** learners to identify the management information needs of the main functional areas in relation to a specific management decision. For example, this could be a decision to enter a new market, a potential merger with a business rival or a cost-cutting exercise to maintain profitability.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	18–19 (2 x 180 minutes)

Lesson objectives	Learners must be able to: • complete the Unit 5 Assignment.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • Assessment recording documentation • Internal verification recording documentation • Unit 5 Assignment
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** recap of the previous lesson. Questions and answers to confirm learners' understanding.
Main activities (330 minutes)	• **Teacher-led presentation:** provide final briefing on Unit 5 Assignment requirements, and work completed by learners in the two previous workshop lessons (Lessons 6 and 11). • **Individual learner activity**: learners to complete the Unit 5 Assignment. • **Plenary (Lesson 18):** teacher to collect work completed in lesson to hand back to the learners in Lesson 19. • **Plenary (Lesson 19):** learners to submit completed Unit 5 Assignments. Teacher to check all assignment work has been submitted.
Concluding activity (20 minutes)	• **Plenary:** recap of key learning aims.

Lesson plan

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Lesson number	20 (180 minutes)

Lesson objectives	Learners must be able to: • review the outcome of the Assessment Task • understand the relationships between key financial concepts explored in Unit 5 • provide feedback on Unit 5.

Resources checklist	• Unit specification • Whiteboard and pens • Flipcharts and pens • Computers with internet access • **PS:** Presentation slides and notes • **AS:** Review own work • **TF:** Learner feedback form
Key: **AS**: Activity Sheet; **TF**: Template Form; **PS**: Presentation Slide	

Activities	Teaching notes
Starter activity (10 minutes)	• **Lead-in:** teacher to hand out assessed Unit 5 Assignment and provide feedback to learners. Teacher to identify good practice points and any issues that need to be addressed.
Main activities (150 minutes)	• **Individual learner activity:** learners to review their own individual work, identify weaknesses and make corrections. • **Teacher-led presentation:** present an overview of the main aspects covered in Learning aims A to D and identify relationships between the aims and how the unit links to other units within the programme. • **Class discussion:** discuss the main themes covered in the previous teacher presentation in relation to learners' own work role and organisations. • **Individual learner activity:** learners complete template to record their feedback.
Concluding activity (20 minutes)	• **Class discussion:** teacher to collect feedback forms and discuss outcomes. Record in Course File.

Assignment brief

Qualification	BTEC Uzbekistan Level 5 Professional Diploma in Accounting and Finance
Unit	Unit 5: Management Accounting and Decision-Making
Learning aim(s)	A Understand management accounting B Understand decision-making in the context of management accounting C Understand how management accounting informs decision-making D Understand the impact of change in an organisation's environment on management accounting
Assignment title	Supporting Strategic Decision-Making through Effective Management Accounting
Assessor	
Issue date	
Hand-in deadline	

Vocational scenario or context	You are a junior accountant in an organisation which is in the process of developing its next five-year strategic plan. To support the development of the plan, the organisation's Finance Director has been instructed by the board to present a report that details how the organisation uses management accounting to inform financial decision-making. As this report will inform the strategic decisions which the board will take, it must consider both present and future situations – particularly as the strategic plan is likely to result in changes to the organisation's internal environment.

Task 1	You have been instructed by the Finance Director to carry out the background research that will form the basis of the report. You are to present a briefing document to the Finance Director. It should include the following information:

	• assessment of the organisation's approach to financial management, focusing on how the approach impacts on its relationship with internal and external stakeholders – the assessment should be based on a detailed comparison between the organisation's approach to financial management, compared with the concept of financial management (reality versus theory) • recommendations of the ways in which the board could use financial decision-making to inform its strategic plan, based on an understanding of the concept of decision-making • an explanation of the financial management tools and techniques that could be used by the organisation's finance team to support the board's decision-making • an assessment of how the organisation uses financial management to inform its decision making, and how this affects the organisation's overall business performance • suggestions for ways in which changes in an organisation's current and future environments could impact on its financial decision-making and organisational performance – the suggestion should be based on an internal and external environmental analysis of current and potential impact factors.
Checklist of evidence required	The submission is in the form of a business report to the Board of Directors with supporting papers. The business report should: • use headings, paragraphs and subsections as appropriate • be supported with research and referenced using an appropriate and recognised referencing system.

Criteria covered by this task:	
Unit/criterion reference	**To achieve the criterion you must show that you are able to:**
A.P1	Explain the concept of management accounting.
A.P2	Evaluate the relationship between financial management and stakeholders.
B.P1	Explain the concept of decision-making in a specific context.
B.P2	Evaluate the role of financial decision-making in an organisation.
C.P1	Explain management accounting tools and techniques.
C.P2	Explain how management accounting tools and techniques are used to inform decision-making.
C.P3	Evaluate the relationship between management accounting, decision-making and organisational performance.
D.P1	Analyse an organisation's internal and external environment.
D.P2	Evaluate how changes in an organisation's environment could affect its financial decision-making and organisational performance.

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