ACCA

ACCA Higher Diploma in Accounting and Business (RQF Level 4).

Qualification specification

About ACCA

We are ACCA (the Association of Chartered Certified Accountants), the only truly global professional accountancy body. Since we were founded in 1904, we've been breaking down barriers to the accountancy profession. Today we proudly support a diverse community of over **266,100** members and **546,500** future members in **179** countries.

We are redefining accountancy. Our cutting-edge qualifications, continuous learning and insights are respected and valued by employers in every sector. They equip individuals with the business and finance expertise and ethical judgment to lead and drive sustainable value in organisations and economies worldwide.

Guided by our purpose and values, we are leading the accountancy profession for a changed world. Partnering with policymakers, standard setters, the donor community, educators and other accountancy bodies, we're strengthening and building a profession that focuses on people, planet and prosperity to create value for all.

ACCA Higher Diploma in Accounting and Business (RQF Level 4)

Qualification rationale

Following an extensive qualification review, the ACCA Higher Diploma in Accounting and Business (RQF Level 4) has been developed to meet the needs of employers. It has been developed to provide students with the fundamental knowledge and skills to build their successful career in accountancy. Students will learn how to use accounting principles and reporting standards to produce quality financial information. Students will understand how to analyse and validate data and information from a range of sources to create useful insights for management, as well as how to apply legal regulations and professional standards and understand the relevance of a business' strategy, structure and systems to its operations.

Alongside this technical knowledge, students will develop professional skills, including communication, evidence-based analysis, and scepticism skills, and cultivate an ethical mindset.

This qualification would have particular relevance for:

- those planning to work in, or already working in a wide ranging and responsible accounting role in a small to medium organisation
- those involved in financial reporting and/or in financial decision-support roles, possibly in supervisory roles in the accounting departments of larger organisations
- anyone performing financial manager or supervisory roles in accounts payable and/or receivable, or a financial manager role in fixed asset accounting in financial shared service centres. As a manager, the learner needs a broader knowledge of business organisations and of managing people in addition to rounded accounting skills, both in financial and management accounting
- students carrying out a technician role in a commercial organisation which has good internal training and requires examined knowledge to complement this training programme.

Eligibility criteria

Students who meet minimum entry criteria will begin their ACCA Qualification with the ACCA Higher Diploma in Accounting and Business (RQF Level 4).

To be awarded the ACCA Higher Diploma in Accounting and Business (RQF Level 4), you must have successfully completed all examinations (at least one of which must have been sat and passed). The grading for each exam within the qualification is pass/fail, with a pass mark of 50% for each exam. On completion, your certificate will be automatically generated and available for download via your myACCA.

Key knowledge/skills assessed

- Introduction to the business organisation within a political, economic, social, technological, environmental and legal context
- The role of accounting in business and the principles of individual and team management within an ethical framework
- Management accounting information for performance planning, financial control and decision making, the design of accounting systems and preparation of management reports
- The preparation of accounting information and external financial reports for regulatory and decision making purposes.

The qualification also develops competence in professional skills like:

- complying with legal requirements
- developing professional values
- improving personal effectiveness
- behaving ethically at work.

Structure and qualification requirements

Students are awarded the ACCA Higher Diploma in Accounting and Business (RQF Level 4) when they have successfully completed the following components of the qualification:

K1 Financial Accounting
K2 Management Accounting
K3 Business Law.

Recognition of prior learning

ACCA offers exemptions to students who have studied relevant accountancy qualifications prior to starting ACCA's accountancy qualifications. Further information on ACCA's exemption policy can be found here.

Please note that in order to be eligible for the ACCA Higher Diploma in Accounting and Business (RQF Level 4), students must successfully attempt at least one of the examinations by passing. Students who receive exemptions from all examinations are not eligible for the award.

Examination syllabus

The table below summarises the aims of each examination within the syllabus and the corresponding capabilities students will develop as they progress through the examinations. The full syllabus and study guides for the below examinations are available to all students on our website:

K1 Financial Accounting
K2 Management Accounting
K3 Business Law.

K1 FINANCIAL ACCOUNTING	
AIM	**MAIN CAPABILITIES**
The overall aim of the syllabus is to develop knowledge and understanding of the underlying principles and concepts relating to financial accounting and technical proficiency in the use of double-entry bookkeeping, including the preparation of non-complex financial statements.	On successful completion of this course of study, candidates should be able to: • Understand the conceptual and regulatory frameworks for financial reporting, including key principles and characteristics of financial information • Prepare, process and report on a range of business transactions and events within a computerised accounting environment • Prepare financial information, including key reconciliations to ensure the accuracy of financial records • Prepare a trial balance, correct errors, and prepare financial statements for a sole trader or a limited company and the consolidated financial statements for a group of limited companies • Prepare partnership accounting records, including partners' capital and current general ledger accounts and accounting for the admission of new partners • Interpret financial information and demonstrate commercial thinking when undertaking ratio analysis
K2 MANAGEMENT ACCOUNTING	
AIM	**MAIN CAPABILITIES**
The overall aim of the syllabus is to develop knowledge and understanding of management information and techniques to support senior management in planning, controlling and decision-making in a variety of business contexts.	On successful completion of this course of study, candidates should be able to: • Understand the use of management information and select the most appropriate method to report information to support management in making decisions which add value to a business • Identify trends and draw insights, using data analysis skills, to contribute to business plans • Apply costing techniques to account for different types of costs and understand how changes in costs can influence short and long-term financial results and decisions • Prepare budgets and variance analysis to help guide an organisation's people and processes to achieve its objectives • Interpret an organisation's plans and results to prepare quality information to support senior management in their review of business performance • Apply short-term and long-term decision-making techniques to defined business matters to provide commercially viable recommendations • Understand the link between the core areas of management accounting and use a range of tools, techniques and skills to support a business to drive improvements in its performance.

K3 BUSINESS LAW	
AIM	**MAIN CAPABILITIES**
The overall aim of the syllabus is to develop knowledge and understanding of the general legal framework, and of specific legal areas relating to business, recognising the need to seek further specialist legal advice where necessary.	On successful completion of this exam, candidates should be able to: • Understand legal systems and different types of law • Explain contract law, including the formation of contracts • Understand specific legal areas relating to business law and company law, including agency law and partnerships, the formation and constitution of companies, the financing and capital of companies, the management and administration of companies and legal aspects of insolvency law • Understand criminal law relevant to accounting and finance professionals, including insider dealing, money laundering, bribery and cybercrime • Explain intellectual property law, which includes the protection of intellectual property rights.

Essential employability module

To support students to develop knowledge and skills relating to the wider business environment they must complete an Essential Employability Module. Responsible Business Management is an online interactive module, designed to help students develop these skills.

The module is designed as follows:

Unit 1 Introduction to business
Unit 2 Business ownership
Unit 3 Business aims and objectives
Unit 4 Stakeholders
Unit 5 Business structures and culture
Unit 6 Business operations and the role of the finance function
Unit 7 Sources of finance and the importance of cash flow
Unit 8 The role of technology in business
Unit 9 Customer needs and the role of marketing
Unit 10 External factors and competition
Unit 11 Introduction to entrepreneurship
Unit 12 Starting up a business
Unit 13 Microeconomic factors
Unit 14 Macroeconomic factors
Unit 15 Purpose of taxation and types of taxes
Unit 16 Business ethics and codes of conduct
Unit 17 Professional ethics
Unit 18 Governance in business
Unit 19 Sustainability and corporate social responsibility (CSR)
Unit 20 Purpose and scope of audit.

Assessment criteria and method

The ACCA Higher Diploma in Accounting and Business (RQF Level4) exams contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus. Questions will assess all parts of the syllabus and will test knowledge and some comprehension or application of this knowledge.

All exams are assessed by two-hour computer-based exams. K1 (Financial Accounting) and K2 (Management Accounting) exams consists of a mix of objective test questions (OTs) and multi-task questions (MTQs). The K3 (Business Law) exam consists of OTs only.

The pass mark for all exams is 50%.

Additional resources

We make a wide range of resources available on our website to help students prepare for their examinations. These resources can be accessed here.

Additional support

ACCA is committed to ensuring that no student is disadvantaged in their examinations because of any special educational need, disability or temporary injury. In order to ensure this we make special access arrangements to enable all students to access our exams.

Requests for access arrangements will be considered in accordance with the UK Equality Act 2010. This requires reasonable adjustments to be made where a disabled person or a person who has suffered accidental injury or acute illness (whether short or long term) would be at a substantial disadvantage in taking an examination compared to someone who is not disabled. Further information is available here.

Total qualification time and credit assigned

Total Qualification Time (TQT) is a reasonable estimate of the total amount of time we expect students to need so that they can achieve and demonstrate the level of attainment necessary for the qualification to be awarded. TQT is only a guide for students and ACCA recognises that some students will require more or less support when undertaking a qualification.

It's made up of the following two elements:

a the number of hours assigned to a qualification for guided learning; and

b an estimate of the number of hours a learner will reasonably be likely to spend in preparation, study or any other form of participation in education or training. This includes assessment, which takes place as directed by – but, unlike guided learning, not under the immediate guidance of – a lecturer, supervisor, tutor or other appropriate provider of education or training.

We've calculated the TQT for the ACCA Higher Diploma in Accounting and Business (RQF Level 4) as follows:

EXAMINATION	LEVEL	GUIDED LEARNING	NON-GUIDED LEARNING	TQT	CREDITS
K1 Financial Accounting	4	150	200	350	35
K2 Management Accounting	4	150	200	350	35
K3 Business Law	4	100	250	350	35
TOTAL	N/A	400	650	1,050	105

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THINK AHEAD