

SEVERN BUSINESS COLLEGE

Level 5 Diploma of Higher Education In Financial Management

Course Handbook

Qualification
SBC Level 5 Diploma of Higher Education In Financial Management

Level
5

Total Qualification Time
2400

Credit Value
240

Aim of the Course
The Level 5 Diploma in Financial Management builds upon the foundational knowledge gained at Level 4. It focuses on strategic financial planning, complex investment and risk analysis, governance, and performance management in dynamic business environments.
Learners will develop the ability to critically evaluate financial strategies, interpret advanced data, and make informed decisions that enhance organisational value and sustainability.

Assessment
Assessment is through practical assignments, with no exams - to more accurately reflect the real working environment.

Course Structure

Stage A:- Level 4 Certificate of Higher Education in Financial Management			
Unit number	**Units**	**Unit level**	**Unit credit**
1	Financial Management Principles	4	20
2	Financial Accounting and Reporting	4	20
3	Budgeting and Financial Control	4	20
4	Investment Fundamentals	4	20
5	Financial Data Analysis	4	20
6	Business Ethics and Corporate Responsibility	4	20

Stage B:- Level 5 Diploma of Higher Education In Financial Management			
Unit number	**Units**	**Unit level**	**Unit credit**
1	Strategic Financial Management	5	20
2	Advanced Financial Reporting and Analysis	5	20
3	Financial Risk Management	5	20
4	Investment and Portfolio Management	5	20
5	Corporate Governance, Ethics and Sustainability	5	20
6	Strategic Budgeting and Decision-Making	5	20

Assessment Grades

Grade	Marking Criteria
Pass	All learning outcomes are achieved. All assessment criteria are met.
Fail	All learning outcomes are not achieved. All assessment criteria are not met.
No Marks	Plagiarism

UNIT SPECIFICATIONS

Unit Title
Financial Management Principles

Level
4

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the purpose and scope of financial management	1.1: Explain the key objectives of financial management. 1.2: Describe how financial management supports business operations. 1.3: Explain the role of financial managers in decision-making.
2. Understand financial management functions within organisations	2.1: Describe the main functions of financial management. 2.2: Explain the relationship between financial management and other business functions. 2.3: Identify the main users of financial information.
3. Understand different types of business finance	3.1: Identify sources of short-term and long-term finance. 3.2: Explain advantages and disadvantages of different finance options. 3.3: Describe how financing decisions affect business performance.
4. Understand basic principles of risk and return	4.1: Define risk and return in financial management. 4.2: Explain the relationship between risk and expected return. 4.3: Identify common techniques for managing financial risk.

UNIT SPECIFICATIONS

Unit Title

Financial Accounting and Reporting

Level

4

Learning Time Hours

200

Credit Value

20

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the purpose of financial statements	1.1: Explain the importance of financial statements for stakeholders. 1.2: Describe the main components of financial statements. 1.3: Explain the accounting principles underlying financial reporting.
2. Be able to prepare basic financial statements	2.1: Prepare an income statement for a given period. 2.2: Prepare a statement of financial position. 2.3: Prepare a simple cash flow statement.
3 Understand adjustments and final accounts	3.1: Explain adjustments for accruals and prepayments. 3.2: Record depreciation and bad debt adjustments. 3.3: Prepare a trial balance and final accounts from given data.
4. Understand the principles of accounting standards	4.1: Identify key accounting standards relevant to reporting. 4.2: Explain the importance of compliance with accounting standards. 4.3: Describe how accounting standards improve transparency.

UNIT SPECIFICATIONS

Unit Title

Budgeting and Financial Control

Level

4

Learning Time Hours

200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the purpose and importance of budgeting	1.1: Explain the objectives of budgeting in organisations. 1.2: Describe the stages of the budgeting process. 1.3: Explain how budgets support planning and control.
2. Understand types of budgets	2.1: Describe different types of budgets (operational, cash, capital). 2.2: Explain the purpose of flexible and fixed budgets. 2.3: Identify advantages and limitations of different budget types.
3: Be able to prepare and interpret budgets	3.1: Prepare a simple budget using given data. 3.2: Interpret budgetary information to assess performance. 3.3: Identify and explain budget variances.
4. Understand budgetary control systems	4.1: Describe the process of budgetary control. 4.2: Explain how performance is monitored through budgets. 4.3: Recommend actions to address budget variances.

UNIT SPECIFICATIONS

Unit Title
Investment Fundamentals

Level
4

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the concept of investment in financial management	1.1: Explain the purpose of investment in organisations. 1.2: Describe types of investments (real, financial, short-term, long-term). 1.3: Identify factors influencing investment decisions.
2. Understand time value of money	2.1: Explain the concept of time value of money. 2.2: Perform simple and compound interest calculations. 2.3: Explain the importance of discounting in investment appraisal.
3: Understand basic investment appraisal techniques	3.1: Describe the purpose of investment appraisal. 3.2: Apply simple payback and average rate of return (ARR) methods. 3.3: Compare results of different appraisal techniques.
4: Understand the impact of risk on investment decisions	4.1: Identify main types of investment risk. 4.2: Explain the relationship between risk and investment return. 4.3: Describe ways to reduce or manage investment risk.

UNIT SPECIFICATIONS

Unit Title
Financial Data Analysis

Level
4

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1: Understand sources and types of financial data	1.1: Identify internal and external sources of financial data. 1.2: Explain how data supports decision-making. 1.3: Describe characteristics of reliable financial data.
2: Be able to analyse financial performance using ratios	2.1: Calculate profitability, liquidity, and efficiency ratios. 2.2: Interpret ratio results to assess business performance. 2.3: Explain the limitations of ratio analysis.
3: Understand comparative and trend analysis	3.1: Explain the purpose of comparative and trend analysis. 3.2: Analyse financial statements across different periods. 3.3: Identify patterns or trends in financial data.
4: Understand the use of financial analysis in decision-making	4.1: Explain how financial analysis informs management decisions. 4.2: Describe common tools for presenting financial data. 4.3: Recommend decisions based on analysed data.

UNIT SPECIFICATIONS

Unit Title
Business Ethics and Corporate Responsibility

Level
4

Learning Time Hours
20

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1: Understand the importance of ethics in financial management	1.1: Define ethics in a financial context. 1.2: Explain why ethical behaviour is essential in finance. 1.3: Identify consequences of unethical financial conduct.
2: Understand corporate governance principles	2.1: Describe the role of corporate governance in organisations. 2.2: Explain the responsibilities of boards and management. 2.3: Identify how governance promotes accountability.
3: Understand corporate social responsibility (CSR)	3.1: Define CSR and its relevance to financial management. 3.2: Explain how CSR influences corporate reputation. 3.3: Describe methods for reporting CSR activities.
4: Understand professional standards in financial management	4.1: Identify key professional codes of conduct. 4.2: Explain the importance of maintaining professional integrity. 4.3: Describe mechanisms for ensuring compliance with professional standards.

UNIT SPECIFICATIONS

Unit Title
Strategic Financial Management

Level
5

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the strategic role of financial management	1.1: Evaluate the strategic objectives of financial management. 1.2: Analyse the relationship between corporate and financial strategy. 1.3: Assess the role of financial management in achieving long-term value creation.
2. Understand financial decision-making in complex environments	2.1: Analyse the impact of financial decisions on organisational sustainability. 2.2: Evaluate the effect of global and economic factors on financial decisions. 2.3: Critically assess methods of financing strategic initiatives.
3. Understand strategic cost management	3.1: Evaluate techniques for managing and controlling strategic costs. 3.2: Analyse how cost information supports strategic decisions. 3.3: Assess the use of cost-benefit analysis in strategic contexts.
4. Be able to recommend strategic financial improvements	4.1: Identify performance gaps using financial analysis. 4.2: Propose strategic financial recommendations for improvement. 4.3: Justify recommendations using financial and non-financial data.

UNIT SPECIFICATIONS

Unit Title
Advanced Financial Reporting and Analysis

Level
5

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the regulatory and conceptual framework for financial reporting	1.1: Evaluate the importance of international financial reporting standards (IFRS). 1.2: Analyse the conceptual framework underpinning financial reporting. 1.3: Assess the implications of non-compliance with financial reporting standards.
2. Be able to prepare and interpret consolidated financial statements	2.1: Prepare consolidated financial statements for group entities. 2.2: Analyse adjustments for subsidiaries and associates. 2.3: Interpret consolidated financial results for decision-making.
3. Be able to analyse financial performance and position	3.1: Apply advanced ratio and trend analysis. 3.2: Evaluate financial performance using benchmarking and industry data. 3.3: Assess limitations of advanced financial analysis.
4. Understand creative accounting and ethical implications	4.1: Explain techniques of earnings management and creative accounting. 4.2: Evaluate ethical issues in financial reporting practices. 4.3: Recommend strategies to promote integrity and transparency in reporting.

UNIT SPECIFICATIONS

Unit Title
Financial Risk Management

Level
5

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the nature and classification of financial risks	1.1: Identify types of financial risk (market, credit, operational, liquidity). 1.2: Explain the causes and consequences of financial risk. 1.3: Assess the relationship between risk and business strategy.
2. Be able to measure and evaluate financial risk	2.1: Apply quantitative techniques to measure financial risk exposure. 2.2: Analyse the use of sensitivity and scenario analysis in risk assessment. 2.3: Evaluate methods for assessing risk tolerance and appetite.
3. Understand methods of financial risk mitigation	3.1: Evaluate hedging techniques using derivatives and futures. 3.2: Analyse the role of insurance and diversification in risk management. 3.3: Assess the effectiveness of risk mitigation strategies.
4. Understand the role of the financial manager in risk governance	4.1: Evaluate responsibilities of financial leaders in managing risk. 4.2: Analyse how governance frameworks support risk management. 4.3: Recommend improvements to an organisation's risk management approach.

UNIT SPECIFICATIONS

Unit Title
Investment and Portfolio Management

Level
5

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the principles of investment portfolio management	1.1: Explain the objectives and principles of portfolio construction. 1.2: Evaluate asset allocation strategies for risk diversification. 1.3: Assess the impact of investor preferences and behaviour on portfolios.
2. Be able to apply advanced investment appraisal techniques	2.1: Calculate and interpret NPV, IRR, and discounted payback. 2.2: Evaluate investment decisions using sensitivity and scenario analysis. 2.3: Critically assess limitations of quantitative appraisal techniques.
3. Understand portfolio performance evaluation.	3.1: Apply measures of portfolio performance (Sharpe, Treynor, Jensen). 3.2: Evaluate the impact of market conditions on portfolio performance. 3.3: Assess methods for portfolio rebalancing and optimisation.
4. Understand the impact of global factors on investment decisions	4.1: Analyse how global economic trends affect investment opportunities. 4.2: Evaluate the effects of exchange rates and inflation on investments. 4.3: Recommend investment strategies in international markets.

UNIT SPECIFICATIONS

Unit Title
Corporate Governance, Ethics and Sustainability

Level
5

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1. Understand the framework and principles of corporate governance	1.1: Evaluate governance frameworks such as OECD and UK Corporate Governance Code. 1.2: Analyse roles and responsibilities of the board, committees, and shareholders. 1.3: Assess the impact of governance on organisational culture and performance.
2. Understand the strategic importance of ethics in finance	2.1: Evaluate ethical theories relevant to financial decision-making. 2.2: Analyse the impact of ethical leadership on financial management. 2.3: Recommend approaches to embed ethical practices in organisations.
3. Understand sustainability and social responsibility in finance	3.1: Evaluate the concept of sustainable finance. 3.2: Analyse environmental, social, and governance (ESG) reporting practices. 3.3: Assess how sustainability affects investor and stakeholder decisions.
4. Be able to develop governance and ethical improvement strategies	4.1: Identify areas for improvement in governance or ethics policies. 4.2: Propose initiatives for strengthening ethical conduct. 4.3: Justify recommendations in line with sustainability objectives.

UNIT SPECIFICATIONS

Unit Title
Strategic Budgeting and Decision-Making

Level
5

Learning Time Hours
200

Credit Value
20

Learning outcomes and assessment criteria
In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning Outcome	Assessment Criteria
1 Understand the role of strategic budgeting in performance management	1.1: Explain the purpose of strategic and long-term budgets. 1.2: Evaluate how strategic budgeting supports organisational objectives. 1.3: Analyse the link between budgeting and performance evaluation.
2. Be able to apply advanced budgeting techniques	2.1: Prepare flexible, zero-based, and activity-based budgets. 2.2: Analyse how these techniques enhance financial control. 2.3: Evaluate the limitations of traditional budgeting approaches.
3. Understand financial decision-making tools	3.1: Apply marginal costing and break-even analysis for strategic decisions. 3.2: Evaluate the use of sensitivity and what-if analysis in decision-making.

	3.3: Assess how financial modelling supports strategic choices.
4. Be able to evaluate and recommend strategic decisions	4.1: Analyse the financial implications of strategic options. 4.2: Recommend decisions using quantitative and qualitative data. 4.3: Justify recommendations considering ethical and organisational impact.

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