



Pearson LCCI Level 3 Certificate in Accounting – Changes between Issue 3 and Issue 4 specifications

The purpose of this document is to indicate the changes between Issue 3 and Issue 4 of the specifications for the Pearson LCCI Level 3 Certificate in Accounting. It should provide more clarity on the changes, without requiring you to compare the Issue 3 and Issue 4 versions page by page.

Summary of changes

1. In the *Specification at a glance* section - more detail on the different types of questions has been added
2. In 1.1 c), the terminology has been corrected ('and other comprehensive income' has been removed)
3. In 1.1 d), more amplification has been provided and the wording now reads 'Understanding and application of the following concepts'.
4. Also in 1.1 d), more concepts have been added in order to be consistent with Level 2 Bookkeeping & Accounting.
5. In 1.2 a), 'franchises' has been removed. Learners will no longer be assessed on their knowledge of the purpose, advantages and disadvantages of franchises.
6. In 2.1 a), more clarification has been added, explaining that learners will not be required to prepare the stock ledger using any of the inventory valuation methods listed.
7. In 2.2 a), the word 'understand' has been added to clarify that learners are required to understand the differences between tangible and intangible non-current assets.
8. In 2.2 d), the terminology has been corrected - 'part exchange' has been changed to 'trade-in allowance', which is a more recognisable term.
9. In 2.2 f), the wording has been slightly amended. It now reads 'The importance and maintenance of an up-to-date non-current assets register...'
10. In 2.3 b), the revaluation method for calculating depreciation has been added.
11. In 2.3 c), the wording has been slightly amended. It now reads 'The importance and maintenance of an up-to-date non-current assets register...'
12. In 3.1 a), the wording has been changed for further clarity.
13. In 3.1 c), the word 'Calculate' has been added to clarify that learners are required to calculate the profit or loss for the period from the statement of profit or loss columns of the extended trial balance.



14. In 4.1, a point f) has been inserted, covering the preparation of a statement of profit or loss and a statement of financial position.
15. In 4.2 a) 'debentures and loan stock' has been removed.
16. In 4.2 b), the wording has been amended to clarify learners should prepare the financial statements for external use only.
17. In 4.3 b), 'profits' and 'equity' have been removed.
18. In 4.3 e) and f), further wording has been added for clarity ('acquisition taking place at the beginning of the financial year).
19. In 5.1 b), 'partnerships and companies' has been removed.
20. In 6.1 b), the terminology has been corrected. 'Net profit percentage' is now 'profit for the year as a percentage of revenue'.
21. Also in 6.1b), 'gearing' has been removed.
22. In 7.1 a), the wording has been changed for clarity. It now reads 'The benefits and limitations of budgetary control'.
23. In 8.1, the wording has been changed for clarity. It now reads 'Benefits and limitations of marginal and absorption costing'.
24. In 8.2 a) the formula for accounting rate of return has been removed, to avoid confusing learners.
25. In h) of the *Skills* section, 'master budgets' has been updated to 'budgeted financial statements'.
26. In i) of the *Skills* section, 'breakeven analysis' has been replaced with 'marginal costing'.
27. In the *Assessment summary* section, more information about the different types of questions has been added.