

Level 3 Award in Computerised Accounting Skills



International
Qualifications from EDI

Syllabus

Effective from: 1 October 2011

INTRODUCTION

Education Development International (EDI) is a leading international awarding body that was formed through the merger of the London Chamber of Commerce and Industry Examinations Board (LCCI) and a leading online assessment provider GOAL. EDI now delivers LCCI International qualifications (LCCI IQ) through a network of over 5000 registered centres in more than 120 countries worldwide. Our range of business-related qualifications is trusted and valued by employers worldwide and recognised by universities and professional bodies.

Level 3 Award in Computerised Accounting Skills

Aims

The aim of the qualification is to develop candidates' competence in using computerised accounting software to produce accurate, professional and well presented accounting information employing an appropriate range of accounting procedures. It particularly aims to develop skills in:

- setting up initial business data in a computerised accounting system
- processing and completing advanced business transactions
- producing and analysing end period reports
- producing and reviewing a range of routine and non-routine accounting reports for management purposes.

This qualification is accredited in the UK as EDI Level 3 Award in Computerised Accounting Skills (QCF) 501/1266/1. The qualification has a credit value of 10.

Target Audience and Candidate Progression

This qualification is suitable for people who work or intend to work in an accounting role which requires the computerised processing and completion of advanced accounting transactions and the preparation of end period reports. Candidates for this qualification must have book-keeping and accounting knowledge and skills equivalent to the LCCI Level 2 Book Keeping and Accounts qualification.

This qualification can be taken as a standalone qualification or as part of the Level 3 Specialised Diploma in Managerial Accounting, Level 3 Specialised Diploma in Accounting and Finance, Level 3 Specialised Diploma in Cost Accounting, Level 3 Specialised Diploma in Business Management and Accounting, Level 3 Diploma in Computerised Accounting or the Level 3 Diploma in Business Studies.

English requirements

There are no formal entry requirements for this qualification. However, candidates should have a minimum level of English equivalent to the LCCI Level 2 English for Business or JETSET 4 - (Council of Europe B1/Threshold) to meet the communication requirements for this qualification.

Structure of the qualification

The Level 3 Award in Computerised Accounting Skills is a single unit qualification which covers the following key areas:

- 1 Setting up initial data
- 2 Entering transactions
- 3 Processing credit card transactions
- 4 Recording transactions relating to acquisition and disposal of fixed assets
- 5 Making end of period adjustments
- 6 Amending Chart of Accounts and producing and analysing end period reports
- 7 Producing and reviewing routine and non-routine reports

Guided Learning Hours

EDI recommends that 50 - 65 Guided Learning Hours (GLHs) provide a suitable course duration for an 'average' candidate at this level. This figure includes direct contact hours as well as other time when candidates' work is being supervised by teachers. Ultimately, however, it is the responsibility of training centres to determine the appropriate course duration based on their candidates' ability and level of existing knowledge. EDI's experience indicates that the number of GLHs can vary significantly from one training centre to another.

ASSESSMENT

Assessment Objectives

The examination will assess the candidate's ability to use computerised accounting software to:

- enter initial data for a sole trader and record transactions relating to the owner
- enter outstanding customer and supplier invoices, credit notes and payments on account
- enter and reconcile an opening Trial Balance
- enter non-credit transactions, supplier and customer credit transactions and journal transactions
- record transactions for the acquisition, disposal and depreciation of fixed assets
- make end period adjustments for stock, income, expenses and VAT*
- edit the Chart of Accounts and produce end reports including Profit and Loss, Balance Sheet, VAT* Return and Budget vs Actuals
- produce and review a range of routine and non-routine reports

*or the relevant national purchase tax, e.g. GST, Consumption Tax, Sales Tax, State Sales Tax, PST, SUT

Assessment Format

The qualification is assessed by an examination in the form of a practical case study, in which it is assumed that the candidate is working in an accounting department using a computerised accounting system. The case study requires candidates to process a variety of business transactions using commercially available computerised accounting software. The time allowed for the examination is 3 hours. The examination is set and marked by EDI.

The examination does not require the use of any specific computerised accounting software. As a guide, the examination is compatible with the following computerised accounting software: Sage 50, MYOB, Microsoft Accounting and QuickBooks. This list is not inclusive and other computerised accounting software may be used. However, centres must ensure that the software they are using will enable candidates to successfully complete the examination before registering candidates.

The examination is available on demand.

All examinations must be carried out in accordance with the *Examination Guide for LCCI Centres* and the *Examination Regulations*, which is sent to centres with the exam papers.

Assessment Requirements

In order to deliver the assessment, centres must meet the following requirements:

- Provide an appropriate room for the assessment where candidates will have individual access to a computer with suitable computerised accounting software for the duration of the examination. The computerised accounting software must enable candidates to achieve all of the assessment objectives and complete the assessment successfully. EDI will not make allowances for software that does not allow candidates to complete the assessment as specified.
- Ensure that candidates have access to word processing, spreadsheet and PDF converter software.
- Ensure that candidates can save files in PDF format. Files must be saved in a secure environment and should be backed up.
- Ensure that candidates cannot view each others' work electronically. Therefore, if work is saved onto a network drive, the drive needs to be set up so that each candidate has a section of the drive which only they and the tutor uploading the candidates' work can access. Centres are advised to set up password controlled access to the network area. We recommend that each candidate saves their work into a folder set up with their name and Candidate Number. This will assist centres when uploading work to the Internet Portal.
- Be able to upload candidates' work to the EDI Internet Portal for marking, at the end of the examination. **Therefore, centres must have access to the Internet.** Candidates' work must be uploaded within 48 hours of the examination. EDI recommends that centres maintain an electronic copy of candidates' work on their systems until the results have been issued. Completed tasks should be uploaded to the Internet Portal using the log-in details provided by EDI (please contact Customer Support, your Regional Office or Co-ordinating Authority to receive these details). Information on how to access the Internet Portal and complete guidance on uploading is given in the Support Pack, which is available on the qualification page of the website.

Coverage of Key Areas in the Examination

The practical case study will cover all the learning outcomes within the syllabus. All assessment criteria will be covered over two versions of the assessment. No weighting is given to specific assessment criteria.

Answer Format

Candidates are required to carry out all assessment tasks accurately and in accordance with book-keeping practice in a computerised environment. Candidates must generate and save the reports and documents specified in the assessment in PDF format in a folder with their name and candidate number. No printing of reports or documents is required.

Mark Allocation

Candidates' performance is assessed by checking the generated reports and documents for errors. Grades are determined by the types and number of errors occurring in candidates' work.

Errors are categorised as follows:

Immediate Fail:

- failure to generate and produce the Trial Balance **or** either the Audit Trail or the complete Nominal Ledger
- failure to generate and produce **more than one** of the other requested reports.

Processing errors:

A 'processing error' is defined as '*an error that renders the accounts incorrect*'. Examples of processing errors include, but are not limited to, the following:

- an incorrect amount processed
- failure to process a transaction or duplicate of a transaction
- a transaction processed to an incorrect account
- incorrect month or year in date
- failure to generate documents, i.e. Sales Orders, Purchase Orders, Invoices, Credit Notes, Remittance Advice and Statements.

Minor errors:

A 'minor error' is defined as '*an error that affects the quality of information rather than the accuracy of the accounts*.' Examples of minor errors include, but are not limited to, the following:

- typographical errors on names, addresses or reference numbers
- incorrect date but within same month
- omission of reference numbers or other data.

Error tolerances are specified below.

Certification

Successful candidates will be awarded a Pass, Merit or Distinction in the Level 3 Award in Computerised Accounting Skills based on the following error tolerances:

	Immediate Fail	Processing Errors	Other Errors
Pass	None permitted	Maximum of 5 errors permitted	Maximum of 6 errors permitted
Merit	None permitted	Maximum of 3 errors permitted	Maximum of 4 errors permitted
Distinction	None permitted	Maximum of 1 error permitted	Maximum of 2 errors permitted

Centres will receive certificates within a maximum of 6 weeks of candidates' work being uploaded to the Internet Portal.

Recommended Reading List and Support Materials

Reading List

Title	Authors(s)	Publisher	ISBN Code
Sage 50 Accounting 2010 in Easy Steps	Gillian Gilert	In Easy Steps Limited	978-1840784015
Sage 50 Accounts for Dummies (2010)	Jane Kelly	John Wiley & Sons	978-0470715581
Passport to Success: Level 2 Book-keeping and Accounts	EDI	Hodder Education	978-1-862471112

Support Material

A sample assessment and worked answers are available on the qualification page of the website. Guidance for Candidates and a Support Pack for tutors are available on the qualification page of the website.

The following training material is recommended for centres using Sage 50:

TUTORIAL (T123b)

Computerised Accounts c/w 1 copy Tutor's Printouts
(for use with Sage 50 2010 and Sage Instant Accounts v16)

Holmes Training Services Ltd

Telephone: + 44 (0) 7768 342804

Email: info@holmestrainingservices.co.uk

Website: www.holmestrainingservices.co.uk

The following training material is recommended for centres using MYOB:

MYOB Computerised Accounting Study Guide (Second Edition) Level 2 and Level 3
ISBN 978-983-41685-2-0

Note: A Third Edition of the study guide will be available early in 2012.

How to offer this qualification

To offer this qualification you must be an LCCI IQ registered examination centre. To gain centre approval, please contact Customer Support on 08700 818008 between the hours of 0830 and 1700 (GMT) Monday to Friday or by email on centresupport@ediplc.com.

Alternatively you may contact your Regional LCCI Office or Co-ordinating Authority.

Level 3 Managing a Computerised Accounts System to provide Management Information

Learning Outcomes: <i>The learner will:</i>	Assessment Criteria: <i>The learner can:</i>	Indicative content:
1 Set up initial data	1.1 Enter or edit the following data for a sole trader: <ul style="list-style-type: none"> ▪ business name ▪ financial year ▪ VAT* Scheme ▪ customer and supplier details ▪ nominal account names ▪ budget figures 1.2 Enter outstanding customer and supplier invoices, credit notes and payments on account 1.3 Enter and reconcile an opening Trial Balance 1.4 Record transactions relating to the owner	<i>Customer and supplier details including: name; address; contact and reference</i> <i>Codes to cover the following VAT* categories should be set up:</i> <ul style="list-style-type: none"> ▪ Standard rate ▪ Zero rate ▪ Exempt ▪ Outside the scope of VAT*
2 Enter transactions	2.1 Enter transactions relating to credit customers and suppliers 2.2 Enter non-credit transactions 2.3 Enter Journal transactions	<i>Where settlement discount is offered, the VAT* is calculated on the discounted amount</i>
3 Process Credit Card transactions	3.1 Enter payments made using a credit card 3.2 Reconcile and process payments to the credit card company	

*or the relevant national purchase tax, e.g. GST, Consumption Tax, Sales Tax, State Sales Tax, PST, SUT

<p>4 Record transactions relating to the acquisition and disposal of fixed assets</p>	<p>4.1 Record the acquisition of a new fixed asset</p> <p>4.2 Make period end adjustments for depreciation</p> <p>4.3 Record the disposal of a fixed asset</p>	<p><i>Includes the calculation of depreciation using the Reducing Balance and Straight-line methods</i></p>
<p>5 Make end of period adjustments</p>	<p>5.1 Adjust the accounts for period end adjustments including:</p> <ul style="list-style-type: none"> ▪ stock ▪ income ▪ expenses ▪ VAT* 	<p><i>Adjustments include: depreciation; expense and income prepayments and accruals; valuation of stock</i></p>
<p>6 Amend the Chart of Accounts and print, review and analyse period end reports</p>	<p>6.1 Edit and check the Chart of Accounts to show specific categories of information</p> <p>6.2 Print period end reports including:</p> <ul style="list-style-type: none"> ▪ Profit & Loss Account ▪ Balance Sheet ▪ VAT* Return ▪ Budget vs Actuals <p>6.3 Analyse figures to provide management information</p>	<p><i>Calculation of ratios including: gross profit margin; net profit margin; current ratio</i></p>

*or the relevant national purchase tax, e.g. GST, Consumption Tax, Sales Tax, State Sales Tax, PST, SUT

7 Take print outs and review	7.1 Print and review a variety of routine and non-routine reports	<p><i>Reports include:</i></p> <ul style="list-style-type: none">▪ <i>customer and supplier address lists</i>▪ <i>customer and supplier histories/activity</i>▪ <i>Aged Debtors and Aged Creditors Analysis</i>▪ <i>Tax Liability</i>▪ <i>Customer Ledger reports</i>▪ <i>Supplier Ledger report</i>▪ <i>Nominal Ledger report</i>▪ <i>budget reports</i>▪ <i>Audit Trail</i>▪ <i>Trial Balance</i>▪ <i>Profit and Loss</i>▪ <i>Balance Sheet</i>
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and performance

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