



LCCI

International
Qualifications

L3

Pearson LCCI Level 3 Certificate in Cost and Management Accounting (ASE20111)

SPECIFICATION

First teaching from September 2019



Pearson

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Acknowledgements

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Introduction

LCCI qualifications

LCCI qualifications are widely regarded by employers as preparing students for key functions of modern international business. Employers, universities and professional bodies such as the Association of Chartered Certified Accountants (ACCA), the Chartered Institute of Management Accountants (CIMA) and the Institute of Chartered Accountants of England and Wales (ICAEW) recognise them across the world.

This new and engaging range of qualifications has been developed in collaboration with professional bodies, employers and customers. To ensure that the qualifications develop the breadth and depth of knowledge, skills and understanding that students need to be effective employees and that they support progression pathways, we have carried out in-depth, independent consultation.

There is a wide range of LCCI qualifications, they are available at levels 1 to 4 across the following subject areas:

- Business
- English Language
- Financial and Quantitative
- Marketing.

This specification is part of the Financial and Quantitative suite of LCCI qualifications.

This qualification replaces the Pearson LCCI Level 3 Certificate in Cost and Management Accounting (601/5169/9).

Purpose of the specification

This specification sets out:

- the objectives of the qualification
- any other qualification(s) that a student must have completed before taking the qualification
- any prior knowledge and skills that the student is required to have before taking the qualification
- any other requirements that a student must have satisfy before they will be assessed or before the qualification will be awarded
- the knowledge, understanding and skills that will be assessed as part of the qualification
- the method of assessment and any associated requirements relating to it
- the criteria against which a student's level of attainment will be measured (such as assessment criteria).

Rationale

The Pearson LCCI Level 3 Certificate in Cost and Management Accounting meets the following purpose:

The qualification builds on the Pearson LCCI Level 2 Certificate in Cost Accounting qualification to give students a detailed insight into the Cost and Management Accounting principles and techniques they are likely to encounter in their working lives.

The qualification at level 3 has a practical focus with students applying knowledge to various scenario-based situations. The inclusion of much more detailed Management Accounting techniques allows students to gain a greater breadth and depth of knowledge in this area, opening their progression opportunities to a wider field of specialism.

Qualification aim

The Pearson LCCI Level 3 Cost and Management Accounting is for students who work in, or want to work in, accounting environments where they will be required to use management accounting techniques which contribute to effective decision making and control.

This qualification provides the student with the skills, knowledge and understanding of cost and management accounting which reflects the keys skills required in business for short and long-term decision making, inventory control, accounting for overheads, working capital management, standard costing and the preparation and control of budgets.

This qualification is trusted and valued by employers worldwide and recognised by universities and professional bodies.

This will enhance their employability prospects in the accounting sector and allow progression to the Pearson LCCI Level 4 Certificate in Management Accounting qualification.

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Specification at a glance

The Pearson LCCI Level 3 Certificate in Cost and Management Accounting consists of one externally examined paper.

Title: Pearson LCCI Level 3 Certificate in Cost and Management Accounting	
<ul style="list-style-type: none"> Externally assessed 	100% of the total qualification
<p>Overview of content</p> <ol style="list-style-type: none"> Inventory management Short-term decision making Accounting for overheads Budgetary planning and control Working capital management Standard costing and variances Costing methods Long-term decision making Management Information Systems Accounting Systems 	
<p>Overview of assessment</p> <ul style="list-style-type: none"> One written externally set and marked paper, contributing 100% of the overall grade of the qualification The examination will be 3 hours The examination will consist of 100 marks Students will be graded Pass/Merit/Distinction. A result of Fail will be recorded where students do not achieve the required marks for a Pass The paper comprises five or six questions Students should answer all questions Questions comprise short written answer and calculations 	

Knowledge, skills and understanding

Content

To prepare students for the final assessment of this qualification, the following content must be covered.

1. Inventory management

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
1.1 Materials and inventory control	a) The benefits and limitations of inventory management and control
	b) The calculation of the quantity and cost of materials needed to meet the production plan, taking into account process wastage and products rejects
	c) The calculation of the quantity and cost of opening and closing inventory levels after taking into account the production plan, with process wastage and production rejects
	d) The costs of ordering/holding inventory and the implications of holding too much inventory or running out of inventory
	e) The calculation of the <ul style="list-style-type: none"> • reorder level • maximum inventory control level • minimum inventory control level • average inventory • average inventory investment
	f) Calculate the Economic Order Quantity (EOQ) using the EOQ formula
	g) The inventory ordering costs and inventory holding costs for discrete order quantities to select the optimal order quantity without using the EOQ formula

Subject content	What students need to learn
	h) The calculation of the optimum order quantity which would minimise cost when quantity discounts are available

2. Short-term decision making

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
2.1 Short-term cost behaviour	a) The key terms used in decision making, examples and their definitions: <ul style="list-style-type: none"> • sunk cost • differential/incremental cost • opportunity cost • avoidable cost • relevant cost
	b) The calculation and use of the high/low method
	c) The calculation of costs per period or unit from fixed, variable, semi-variable or stepped patterns
	d) The effect of time on cost behaviour
	e) The limiting factors within a business
	f) The calculation of net profit using the optimum product mix
	g) The inventory ordering costs and inventory holding costs for discrete order quantities to select the optimal order quantity without using the EOQ formula
2.2 Break-even analysis	a) The calculation of the contribution/sales (C/S) ratio for a single product and the weighted C/S ratio for a mix of products
	b) The calculation of the break-even point in revenue and/or units for both single-product and multi-product situations
	c) The calculation of contribution, total contribution and total profit or loss

Subject content	What students need to learn
	d) The calculation of the margin of safety in units and revenue and the output required to achieve a targeted profit
	e) The application and assumptions of cost-volume-profit (CVP) analysis in given situations
	f) The construction of the following charts for a single product or multiple products: <ul style="list-style-type: none"> • conventional break-even • contribution break-even • profit-volume (PV)
	g) The determination of the break-even point and the profit and the margin of safety from a chart
2.3 Marginal and absorption costing	a) The definition and use of the terms 'marginal costing' and 'absorption costing'
	b) The preparation of profit statements applying both absorption and marginal costing (including the over/under absorption of overhead in absorption costing)
	c) Reconciliation of the reported profits between absorption and marginal costing and explanation of the difference

3. Accounting for overheads

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
3.1 Overhead absorption	a) The meaning and importance of the following terms: allocation, apportionment, re-apportionment and absorption
	b) The allocation of production overheads to production and service cost centres
	c) The apportionment of production overheads to production and service cost centres

Subject content	What students need to learn
	d) The re-apportionment of production overheads from service cost centres to production cost centres using repeated distribution method
	e) The reasons for using predetermined absorption rates
	f) The calculation and application of production overhead absorption rates based upon direct material cost, direct labour cost, direct labour hours, machine hours and units of output
	g) The calculation and use of absorption rates from a traditional production overhead budget
	h) The calculation and use of a rate to absorb administration, selling and distribution overheads
	i) The calculation and application of any under or over-absorption of production overhead
	j) The factors influencing the choice of production overhead absorption method
3.2 Activity based costing	a) The principles of activity based costing (ABC) and the contrast between ABC and traditional approaches
	b) The calculation and application of cost driver rates and unit production costs based on ABC principles
	c) The advantages and disadvantages of using either ABC or absorption costing

4. Budgetary planning and control

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
4.1 Preparation of budgets	a) The benefits and limitations of preparing budgets
	b) The meaning and importance of the principal budget factor
	c) The preparation and use of the following budgets <ul style="list-style-type: none"> • sales in units and/or revenue • production (units) • material usage (units)

Subject content	What students need to learn
	<ul style="list-style-type: none"> materials purchases (\$) direct labour (hours and \$)
	d) The differences between and the implication of fixed and flexible budgets
	e) The preparation and use of a flexed budget. Comparing a flexed budget with actual costs/revenues and calculating the variances
	f) The advantages and disadvantages of flexible budgets

5. Working capital management

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
5.1 Managing cash flow	a) The preparation of detailed cash budgets on a monthly or quarterly basis and its benefits when managing cash flow This refers to forecasted cash budgets and not statements of cash flow (IAS7)
	b) The implications of, and ways to deal with, a cash surplus or deficit
	c) The preparation of working capital budgets, in \$
	d) The calculation of the working capital ratio
	e) The calculation of the working capital cycle, in days
	f) The evaluation of the working capital position
	g) The reasons why liquidity and cash flow management are important for the successful operation of any business

6. Standard costing and variances

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
6.1 Calculating variances	a) The meaning and use of the following terms <ul style="list-style-type: none"> • ideal standard • attainable standard • standard cost
	b) The calculation and application of the standard cost
	c) The calculation of the total direct material variance and analysis of this into the materials price variance and the material usage variances
	d) The calculation of the total direct labour variance and analysis of this into the labour rate variance and the labour efficiency variances
	e) The reasons for material variances and labour variances. Potential relationship between variances
	f) The calculation of total fixed production overhead variance and analysis of this to expenditure and volume variance
	g) The analysis of fixed production overhead variances
	h) Reconciliation of budgeted and actual profit using appropriate variances
	i) Use of given cost variances to calculate standard or actual production costs

7. Costing methods

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
7.1 Process costing	a) The purpose of process costing
	b) The preparation of process accounts and profit statements where normal or abnormal losses/gains occur along with their associated scrap values or disposal costs
	c) The meaning and use of joint and by-products
	d) The preparation of normal loss, abnormal loss and abnormal gain accounts
	e) The value of completed production and work-in-progress using equivalent units, and using a First In First Out (FIFO) or weighted average (AVCO) approach
	f) The calculation of the value of by-products
	g) The calculation of joint products apportioning joint costs on the basis of physical units, weight, sales value and net sales value
	h) The interpretation of the results of joint product accounting

8. Long-term decision making

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
8.1 Investment appraisal	a) The features of long-term and short-term decision making
	b) The meaning and purpose of Discounted Cash Flow (DCF)
	c) The meaning and purpose of Net Present Value (NPV) and Internal Rate of Return (IRR)
	d) The calculation of the NPV and/or profitability index of proposed capital investments
	e) The calculation of the IRR of proposed capital investments
	f) The calculation of the payback or discounted payback of proposed capital investments
	g) The calculation of the accounting rate of return (ARR) of proposed capital investments using the initial capital investment or the average capital investment
	h) The recommendation of capital investment proposals using NPV, IRR, payback, discounted payback, ARR and profitability
	i) How using a discounting approach overcomes the limitations of non-discounting techniques
	j) The non-financial aspects of Investment Appraisal

9. Management Information Systems

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
9.1 The role of Management Information Systems (MIS) in cost and management accounting	a) The benefits of effective management information
	b) The controls in place to ensure confidentiality and security is maintained when dealing with management information

10. Accounting Systems

Subject content	What students need to learn
	Students will need to apply their knowledge and understanding of the following and interpret their findings/results in a business context
10.1 Accounting Systems	a) The main features of integrated and non-integrated accounting systems
	b) the importance of using control accounts in a non-integrated system
	c) Post entries in a ledger accounts for: <ul style="list-style-type: none"> • an integrated system • non-integrated system
	d) Prepare a profit reconciliation statement in a non-integrated system
	e) The need for a reconciliation in a non-integrated system to maintain accounting systems

The following skills should be developed throughout the course of study.

Skills	Students should:
	a) Calculate and comment on inventory costs and controls
	b) Complete inventory record cards
	c) Understand the key terms used in short term decision making, and their definitions
	d) Apply calculations including the high low method and limiting factors
	e) Understand the terms involved in break-even analysis
	f) Make calculations and apply cost-volume-profit analysis
	g) Calculate and use market and cost based transfer prices
	h) Construct break-even charts
	i) Understand the terms used in marginal and absorption costing
	j) Prepare profit statements applying both absorption and marginal costing
	k) Understand the terms used in overhead absorption
	l) Apply various techniques in overhead absorption
	m) Understand the terms and the purpose of preparing budgets
	n) Prepare both fixed and flexible budgets
	o) Understand the terms used in cash flow management
	p) Prepare working capital and detailed cash budgets
	q) Understand the term and the calculations used in standard costing
	r) Calculate labour, material and overhead variances
	s) Understand relationships between labour and material variances
	t) Understand the terms and the purpose of process costing

Skills	Students should:
	u) Undertake the necessary calculations for process costing
	v) Understand the terms used in investment appraisal
	w) Calculate and apply investment appraisal techniques
	x) Understand the role of MIS in information confidentiality and security

Delivery guidance

In delivering this qualification, teachers are encouraged to use a variety of examples and scenarios drawn from the business environment.

Business scenarios and short case studies can be useful when used in small-group work as they give students the opportunity to work with their peers to identify key issues and how they can be addressed. This is particularly useful in developing the skills required when analysing different approaches to specific business contexts. Examinations for this qualification will use the dollar (\$) as standard currency

Assessment

Assessment summary

Pearson LCCI Level 3 Certificate in Cost and Management Accounting
First teaching: September 2019 First assessment: June 2020 Number of series: 6
Overview of content 1 Inventory management 2 Short-term decision making 3 Accounting for overheads 4 Budgetary planning and control 5 Working capital management 6 Standard costing and variances 7 Costing methods 8 Long-term decision making 9 Management Information Systems 10 Accounting Systems
Overview of assessment <ul style="list-style-type: none">• One written externally set and marked paper, contributing 100% of the overall grade of the qualification• The examination will be 3 hours• The examination will consist of 100 marks• Students will be graded Pass/Merit/Distinction. A result of Fail will be recorded where students do not achieve the required marks for a Pass• The paper comprises five or six questions• Students should answer all questions• Questions comprise short written answer and calculations• Calculators may be used in the exam• Bilingual dictionaries are permitted for use in the exam

Assessment Objectives

Students must:		% of qualification
AO1	Memorise Recall the facts of cost accounting in business Recall costing terms and definitions Recall costing methods and procedures	8
AO2	Perform Record business cost transactions Carry out computations Prepare financial and costing statements	68
AO3	Communicate understanding Demonstrate understanding of different costing and management techniques Present and display cost and management data	10
AO4	Analyse Compare and analyse costing and management information Interpret cost and management data and information Recognise patterns and correlations Predict consequences	10
AO5	Evaluate Weigh up evidence in order to build a reasoned decision Draw conclusions	4
Total		100

Performance descriptors

Grade	Descriptor
Pass	<p>Candidates can recall and demonstrate understanding of basic elementary facts of cost accounting, costing terms and definitions, costing methods, procedures and techniques.</p> <p>Candidates can carry out complex computations and prepare costing and financial statements</p> <p>Candidates can prepare financial and costing statements</p> <p>Candidates can interpret costing and management data and information in order to predict consequences</p> <p>Candidates can draw basic conclusions</p> <p>Decisions and recommendations made with limited supporting evidence</p>
Distinction	<p>Candidates can recall, and demonstrate understanding of complex facts of cost accounting, costing terms and definitions, costing methods, procedures and techniques.</p> <p>Candidates can present and display costing and management data in appropriate formats with high precision</p> <p>Candidates can carry out complex, multistage computations and prepare costing and financial statements with precision</p> <p>Candidates can compare and analyse costing and management information, recognising any patterns and correlations in order to predict consequences</p> <p>Candidates can weigh up evidence to build a reasoned judgment and make recommendations</p>

Performance descriptors may be revised following the first award.

Entry and assessment information

Student entry

Details on how to enter candidates for the examination for this qualification can be found at qualifications.pearson.com

The closing date for entries is approximately six weeks before the start of each examination series. Centres should refer to the published examination timetable for examination dates.

Combinations of entry

There are no forbidden combinations of entry for this qualification.

Age

Students must be a minimum of 16 years old to be entered for this qualification.

Resitting the qualification

Candidates can resit the examination for the Pearson LCCI Level 3 Certificate in Cost and Management Accounting.

It is strongly advised that candidates do not register to undertake a resit until they have received the results from their previous examination.

Awarding and reporting

The Pearson LCCI Level 3 Certificate in Cost and Management Accounting qualification is graded and certificated on a three-grade scale: Pass/Merit/Distinction.

Access arrangements, reasonable adjustments and special consideration

Access arrangements

Access arrangements are agreed before an assessment. They allow students with special educational needs, disabilities or temporary injuries to:

- access the assessment
- show what they know and can do, without changing the demands of the assessment.

The intention behind an access arrangement is to meet the particular needs of an individual student with a disability, without affecting the integrity of the assessment. Access arrangements are the principal way in which awarding bodies comply with the duty under the Equality Act 2010 to make 'reasonable adjustments'.

Access arrangements should always be processed at the start of the course. Students will then know what is available and have the access arrangement(s) in place for assessment.

Reasonable adjustments

The Equality Act 2010 requires an awarding organisation to make reasonable adjustments where a person with a disability would be at a substantial disadvantage in undertaking an assessment. The awarding organisation is required to take reasonable steps to overcome that disadvantage.

A reasonable adjustment for a particular person may be unique to that individual and therefore might not be in the list of available access arrangements.

Whether an adjustment will be considered reasonable will depend on a number of factors, which will include:

- the needs of the student with the disability
- the effectiveness of the adjustment
- the cost of the adjustment; and
- the likely impact of the adjustment on the student with the disability and other students.

An adjustment will not be approved if it involves unreasonable costs to the awarding organisation, has untenable timeframes or affects the security or integrity of the assessment. This is because the adjustment is not 'reasonable'.

Special consideration

Special consideration is a post-examination adjustment to a student's mark or grade to reflect temporary injury, illness or other indisposition at the time of the examination or assessment, which has had, or is reasonably likely to have had, a material effect on a candidate's ability to take an assessment or demonstrate their level of attainment in an assessment.

Further information

Please see the website for further information about how to apply for access arrangements and special consideration.

For further information about access arrangements, reasonable adjustments and special consideration please refer to the JCQ website: www.jcq.org.uk.

Equality Act 2010 and Pearson equality policy

Equality and fairness are central to our work. Our equality policy requires all students to have equal opportunity to access our qualifications and assessments, and our qualifications to be awarded in a way that is fair to every student.

We are committed to making sure that:

- students with a protected characteristic (as defined by the Equality Act 2010) are not, when they are undertaking one of our qualifications, disadvantaged in comparison to students who do not share that characteristic
- all students achieve the recognition they deserve for undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

You can find details of how to make adjustments for students with protected characteristics in the policy document *Access Arrangements, Reasonable Adjustments and Special Considerations*, which is on our website qualifications.pearson.com

Candidate malpractice

Candidate malpractice refers to any act by a candidate that compromises or seeks to compromise the process of assessment or which undermines the integrity of the qualifications or the validity of results/certificates.

Candidate malpractice in examinations must be reported to Pearson using a JCQ Form M1 (available at www.jcq.org.uk/exams-office/malpractice). The form can be emailed to pqsmalpractice@pearson.com or can be posted to: Investigations Team, Pearson, 190 High Holborn, London WC1V 7BH. Please provide as much information and supporting documentation as possible. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice constitutes staff or centre malpractice.

Staff/centre malpractice

Staff and centre malpractice includes both deliberate malpractice and maladministration of our qualifications. As with candidate malpractice, staff and centre malpractice is any act that compromises or seeks to compromise the process of assessment or which undermines the integrity of the qualifications or the validity of results/certificates.

All cases of suspected staff malpractice and maladministration must be reported immediately, before any investigation is undertaken by the centre, to Pearson on a *JCQ Form M2(a)* (available at www.jcq.org.uk/exams-office/malpractice). The form, supporting documentation and as much information as possible can be emailed to pqsmalpractice@pearson.com or posted to: Investigations Team, Pearson, 190 High Holborn, London WC1V 7BH. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice itself constitutes malpractice.

More detailed guidance on malpractice can be found in the latest version of the document *General and Vocational Qualifications Suspected Malpractice in Examinations and Assessments Policies and Procedures*, available at: www.jcq.org.uk/exams-office/malpractice.

Language of assessment

Assessment of this specification will be in English only. Assessment materials will be published in English only and all work submitted for examination must be in English only.

Other information

Total Qualification Time (TQT) and Guided Learning Hours (GLH)

For all regulated qualifications, we specify a total number of hours that students are expected to undertake in order to complete and show achievement for the qualification – this is the Total Qualification Time (TQT). The TQT value indicates the size of a qualification.

Within the TQT, we identify the number of Guided Learning Hours (GLH) that a centre delivering the qualification needs to provide. Guided learning means activities that directly or immediately involve tutors and assessors in teaching, supervising, and invigilating students, for example lectures, tutorials, online instruction and supervised study.

As well as guided learning, there may be other required learning that is directed by tutors or assessors. This includes, for example, private study, preparation for assessment and undertaking assessment when not under supervision, such as preparatory reading, revision and independent research.

TQT and guided learning hours are assigned after consultation with users of the qualifications.

This qualification has a TQT value of 200 and a GLH of 160.

Student recruitment

Pearson follows the JCQ policy concerning recruitment to our qualifications in that:

- they must be available to anyone who is capable of reaching the required standard
- they must be free from barriers that restrict access and progression
- equal opportunities exist for all students.

Prior learning and other requirements

There are no formal entry requirements for this qualification.

Students may be studying in a local language but the assessment will be in English. Pearson recommends students have B1 level of English on the Common European Framework of Reference (CEFR). This will support access to the assessment materials and be able to communicate responses effectively.

Pearson's *Recognition of prior learning policy and process* document can be found at qualifications.pearson.com/policies

Progression

The qualification will allow progression onto the Pearson LCCI Level 4 Certificate in Management Accounting. This qualification will also support progression into employment, for example, into a junior accountant or cost account role within a large company's finance department.

Using appropriate internal processes, centres must ensure they choose the most appropriate qualification level for their learners' needs.

Exemptions

We are seeking exemptions for our qualifications from a number of Professional Bodies. For the latest list of exemptions, please visit the Pearson LCCI website, and choose your relevant qualification.

Codes

This qualification is approved by Ofqual and meets the Ofqual General Conditions for inclusion on the Register of Regulated Qualifications. The Qualification Number (QN) is: 603/5079/9.

The subject code for Pearson LCCI Level 3 Certificate in Cost and Management Accounting is: ASE20111. The subject code is used by centres to enter students for a qualification. Centres will need to use the entry codes only when claiming students' qualifications.

Support, training and resources

Training

Pearson offers support and training to teachers on standard of delivery and preparing students to meet the assessment requirements.

Specifications, Sample Assessment Materials and Teacher Support Materials

The Pearson LCCI Level 3 Certificate in Cost and Management Accounting Sample Assessment Materials document (ISBN 9781446961117) can be downloaded from qualifications.pearson.com/lcci

To find a list of all the support documents available please visit qualifications.pearson.com/lcci

Appendix 1: Glossary of International Accounting Standards terminology

The following is a glossary of the comparison between the International Accounting Standards (IAS) terminology and the UK GAAP (Generally Accepted Accounting Practice in the UK) terminology. IAS terminology is used in the content of the LCCI financial and quantitative suite of qualifications but not all terms are present in all levels of the qualifications.

Centres should be aware that these terms are also referred to as International Finance Reporting Standards (IFRS), in certain contexts within the industry, however, the definitions and meaning remain the same.

IAS terminology	Previously used UK GAAP terminology
Financial statements	Final accounts
Statement of profit or loss and other comprehensive income	Trading and profit and loss account
Revenue	Sales
Raw materials/ordinary goods purchased	Purchases
Cost of sales	Cost of goods sold
Inventory	Stock
Work in progress	Work in progress
Gross profit	Gross profit
Other operating expenses	Sundry expenses
Allowance for doubtful debt	Provision for doubtful debt
Other operating income	Sundry income
Investment revenues/finance income	Interest receivable
Finance costs	Interest payable
Profit for the year before tax or after tax	Net profit
Retained earnings	Profit/loss balance

Statement of changes in equity (limited companies)	Appropriation account
Statement of financial position	Balance sheet
Non-current assets	Fixed assets
Property	Land and buildings
Plant and equipment	Plant and equipment
Investment property	Investments
Intangible assets	Goodwill etc
Current assets	Current assets
Inventory	Stock
Trade receivables	Debtors
Other receivables	Prepayments
Cash and cash equivalents	Bank and cash
Current liabilities	Current liabilities/creditors: amounts due within 12 months
Trade payables	Creditors
Other payables	Accruals
Bank overdraft and loans	Loans repayable within 12 months
Non-current liabilities	Long term liabilities/creditors: amounts falling due after 12 months
Bank (and other) loans	Loans repayable after 12 months
Capital or equity	Capital
Share capital	Share capital
Statement of cash flows	Cash flow statement

Other terms	
Inventory count	Stock take
Carrying value	Net book value

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