



Pearson LCCI Level 3 Certificate in Financial 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 Financial 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 types of questions has been added.
2. In 1.1 c), the wording has been changed to 'The understanding and application of the following accounting concepts'.
3. Also in 1.1 c), more concepts have been added to be consistent with Level 2 Bookkeeping & Accounting.
4. In 1.1 d), the characteristics have been listed in the specification for clarity and to be consistent with Level 3 Accounting.
5. In 1.2 b), 'understand' has been added for clarity. It now reads 'Understand the characteristics of different types of private sector business organisations'.
6. Also in 2.1 b), 'franchises' and 'not for profit (charity)' have been removed.
7. 1.2 c), d) and f) have been removed.
8. 1.4 c) has been removed.
9. 2.1 a) has been removed.
10. In 2.1 b), the wording has been amended for clarity. It now reads 'Understanding and application of the ledger (general ledger and subsidiary ledger)'.
11. 2.1 c) and 2.1 d) have been removed.
12. In 2.2 b), the wording has been amended for clarity. It now reads 'The understanding and application for recording discounts in respect of sales and purchases'.
13. 2.2 c) has been removed.
14. 2.3 b) has been removed.



15. In 2.4 a) the wording has been changed for clarity. It now reads 'The role and operations of bank reconciliation'.
16. In 2.6 a), the reference '(IAS2 - inventories)' has been added for clarity.
17. In 2.8 a), the wording has been changed for clarity. It now reads 'The principles and operation of depreciation for non-current assets, including journals and ledger postings, using the following methods...'.
18. Also in 2.8 a), the revaluation method has been added.
19. In 2.9 c), the wording has been changed for clarity. It now reads 'The importance and maintenance of an up-to-date non-current asset register'.
20. PLEASE NOTE: 2.8 and 2.9 have swapped round. 2.8 now deals with the accounting treatment of non-current assets and 2.9 related to depreciation.
21. 3.1 b) and c) have been combined.
22. 3.1 d) has been removed.
23. 3.2 b) and c) have been removed.
24. In 4.1, more has been added for clarity and to be consistent with Level 3 Accounting. There is a now a 4.1 a), b) and c).
25. In 5.1 a), the interrelationship aspect of the content has been removed. It now just reads 'The purpose of the main financial statements'.
26. In 5.1 d) 'for sole trader' has been removed.
27. In 6.1c), the wording has been changed for clarity. It now reads 'The calculation and use of the following ratios to produce financial statements...' 'The terminology has also been updated ('net profit percentage' is now 'profit for the year as a percentage of revenue.')
28. Also in 6.1 c), 'asset turnover' has been added.
29. In b) of the *Skills* section, 'reconciliation of control accounts' and 'inventory valuation' have been removed, to better align the skills with the specification content.
30. In the *Assessment summary* section, more detail on the types of questions has been added.