



Pearson

April 2017

Update regarding LCCI Level 2 Bookkeeping & Accounting, Level 3 Accounting, Level 3 Financial Accounting and Level 4 Financial Accounting

Dear colleague

Earlier this month, we wrote to you to outline some changes to the assessments for the above four qualifications. To support these changes, I am pleased to announce that a set of revised Sample Assessment Materials (SAMs) reflecting these changes is now available. These can be accessed through the relevant subject pages on the qualifications.pearson.com website, or through your regional contact.

Please see below a summary of how the changes outlined in my earlier letter have been actioned.

- 1 **All four qualifications will have an examination paper which totals 100 marks** – this has been implemented in the first set of SAMs for each of the four qualifications and will be carried through into the second set of SAMs and into the papers for the June series onwards.
- 2 **All four qualifications will have an exam length of 3 hours** – this has been agreed for these four qualifications from the June series onwards. The front of both the SAMs and the live question papers will reflect this. Please ensure your examination administrators are aware and schedule the examinations accordingly.
- 3 **All papers will have a grade targeting profile** - we have taken additional steps in the design and development of these draft SAMs and live papers, with the aim of generating more consistent grade boundaries.
- 4 **The wording and weighting of the Assessment Objectives will be revised** - we have updated these in accordance with the recommendations from subject experts. Please find the updated Assessment Objectives for each of the four qualifications at the back of this communication. The specifications for each of these four qualifications will be updated to reflect these changes and will be available from 12 May 2017.
- 5 **The question types used in examination papers will be reviewed** – you will see from the SAMs that we have addressed this issue. We have limited the number of marks awarded for open response questions per paper and have introduced a small number of multiple choice questions within the Level 2 Cert BKA assessment.
- 6 **A clear and defined list of command words will be published** – we have agreed a clear list of command words that will be used for these four examinations. A list for each qualification can be found at the back of this communication. A more detailed support document, which will contain further details of what is expected of learners when certain command words are used, will be available shortly.

- 7 **The grade descriptors will be reviewed to ensure expectations are clear** – this has been completed and the revised grade descriptors can be found at the back of this communication. The specifications for each of these four qualifications will be updated to reflect these changes and will be available from 12 May 2017.
- 8 **The tables and templates in the examination papers will be removed where appropriate** – this has been implemented in the first set of SAMs in most cases and will be carried through into the live papers from the June series onwards. However, there are some instances where tables have been retained. Where it would disadvantage the learner to not provide a template, for example where there is not an established format for presenting the information required, we may provide a table for them. In these instances it will be clear to learners where they are required to complete a printed table.
- 9 **The question paper layout will be amended** - a resource booklet has been produced for the first set of SAMs and for the live papers for the June series onwards. These contain the data that learners need to answer the questions and will allow learners to transpose numbers and other data without having to turn over the data page. **PLEASE NOTE: these resource booklets are to be treated as secure examination material. It is the responsibility of the centre at the end of the examination to collect in all resource booklets and destroy them securely.** Your examination administrators will need to be made aware of this and action accordingly.

In my previous letter, I also set out when the SAMs and training would be available to you. Please find below a summary of our progress.

Draft of updated Sample Assessment Material (SAMs) released to centres - these are now available on the website (<http://qualifications.pearson.com/en/qualifications/lcci.html>) or through your regional contact

Final typeset version of SAMs released to centres - these will be available from 8 May.

Online training in which we will review the changes to assessments and updated SAMs - these events are scheduled for 4, 5, 8 and 9 May 2017 and are now open for booking. To book, please visit <http://qualifications.pearson.com/en/support/training-from-pearson-uk.html>, select 'LCCI' from the 'Search by Qualification' list and then select 'Financial and Quantitative Suite'.

Draft of additional SAMs released to centres - we will shortly confirm when the second set of draft SAMs for these four qualifications will be available.

We will continue to update you as any further support is made available.

If you require any clarification on any of the changes or would like to provide feedback on the redeveloped SAMs, please speak to your regional contact or email kirsty.parker@pearson.com.

Yours sincerely



Derek Richardson

Qualification Development, Assessment and Awarding Director

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1. Level 2 Bookkeeping & Accounting - revised Assessment Objectives and grade descriptors
2. Level 3 Accounting - revised Assessment Objectives and grade descriptors
3. Level 3 Financial Accounting - revised Assessment Objectives and grade descriptors
4. Level 4 Financial Accounting - revised Assessment Objectives and grade descriptors
5. Command Words for Level 2 Bookkeeping & Accounting, Level 3 Accounting, Level 3 Financial Accounting and Level 4 Financial Accounting

LCCI Level 2 Certificate in Bookkeeping & Accounting (ASE20093)

Assessment Objectives

| Assessment Objective | | Weighting (%) |
|----------------------|--|---------------|
| AO1 | Recall Recall accounting facts, terms, definitions, processes and formulae. | 12 |
| AO2 | Perform Procedures Record business transactions Use accounting techniques Prepare financial statements | 78 |
| AO3 | Demonstrate Understanding Demonstrate understanding of accounting processes, procedures and techniques | 6 |
| AO4 | Analyse Compare, classify and deconstruct information Interpret financial data and information Recognise patterns and correlations | 4 |

Grade Descriptors

Pass

Candidates can recall, use and apply bookkeeping and accounting facts, terms definitions, processes and formulae.

Candidates can demonstrate basic understanding of accounting processes, procedures and techniques.

Candidates can record business transactions using correct accounting techniques.

Candidates can prepare financial statements with routine transactions for different organisations.

Candidates can select and use accounting information.

Distinction

Candidates can demonstrate a detailed knowledge of bookkeeping accounting facts, terms, definitions, processes and formulae using them consistently and effectively in given scenarios.

Candidates can demonstrate a detailed understanding of accounting processes, procedures and techniques.

Candidates can record business transactions using correct accounting techniques with precision.
Candidates can prepare financial statements with non-routine transactions for different organisations.

Candidates can select and use relevant information from redundant information.

Candidates can select and use relevant accounting information to analyse accounting problems.

Candidates can make limited judgements.

LCCI Level 3 Certificate in Financial Accounting (ASE20097)

Assessment Objectives

| Assessment Objective | | Weighting (%) |
|----------------------|--|---------------|
| AO1 | Recall Recall accounting facts, terms, definitions, processes and formulae. | 12 |
| AO2 | Perform Procedures Record business transactions Use accounting techniques Prepare financial statements | 74 |
| AO3 | Demonstrate Understanding Demonstrate understanding of accounting processes, procedures and techniques | 8 |
| AO4 | Analyse Compare, classify and deconstruct information Interpret financial data and information Recognise patterns and correlations | 4 |
| AO5 | Evaluate Build a reasoned decision Make judgments about significance of information Predict consequences | 2 |

Grade descriptors

Pass

Candidates can recall, use and apply bookkeeping and accounting facts, terms definitions, processes and formulae.

Candidates can demonstrate basic understanding of accounting processes, procedures and techniques.

Candidates can record business transactions using correct accounting techniques.

Candidates can prepare financial statements with routine transactions for different organisations.

Candidates can select and use accounting information.

Candidates can make judgements which are supported with limited evidence.

Distinction

Candidates can demonstrate a detailed knowledge of bookkeeping accounting facts, terms, definitions, processes and formulae using them consistently and effectively in given scenarios.

Candidates can demonstrate a detailed understanding of accounting processes, procedures and techniques.

Candidates can record business transactions using correct accounting techniques with precision.

Candidates can prepare financial statements with non-routine transactions for different organisations.

Candidates can select and use relevant information from redundant information.

Candidates can select and use relevant accounting information to analyse accounting problems.

Candidates can make judgements that are supported and justified with evidence.

LCCI Level 3 Certificate in Accounting (ASE20104)

Assessment Objectives

| Assessment Objective | | Weighting (%) |
|----------------------|--|---------------|
| AO1 | Recall Recall accounting facts, terms, definitions, processes and formulae. | 12 |
| AO2 | Perform Procedures Record business transactions Use accounting techniques Prepare financial statements | 74 |
| AO3 | Demonstrate Understanding Demonstrate understanding of accounting processes, procedures and techniques | 8 |
| AO4 | Analyse Compare, classify and deconstruct information Interpret financial data and information Recognise patterns and correlations | 4 |
| AO5 | Evaluate Build a reasoned decision Make judgments about significance of information Predict consequences | 2 |

Grade Descriptors

Pass

Candidates can recall, use and apply bookkeeping and accounting facts, terms definitions, processes and formulae.

Candidates can demonstrate basic understanding of accounting processes, procedures and techniques.

Candidates can record business transactions using correct accounting techniques.

Candidates can prepare financial statements with routine transactions for different organisations.

Candidates can prepare management reports with routine transactions for different organisations.

Candidates can select and use accounting information.

Candidates can make judgements which are supported with limited evidence.

Distinction

Candidates can demonstrate a detailed knowledge of bookkeeping accounting facts, terms, definitions, processes and formulae using them consistently and effectively in given scenarios.

Candidates can demonstrate a detailed understanding of accounting processes, procedures and techniques.

Candidates can record business transactions using correct accounting techniques with precision.

Candidates can prepare management reports with non-routine transactions for different organisations.

Candidates can select and use relevant information from redundant information.

Candidates can select and use relevant accounting information to analyse accounting problems.

Candidates can make judgements that are supported and justified with evidence.

LCCI Level 4 Certificate in Financial Accounting (ASE20101)

Assessment Objectives

| Assessment Objective | | Weighting (%) |
|----------------------|--|---------------|
| AO1 | Recall Recall accounting facts, terms, definitions, processes and formulae. | 12 |
| AO2 | Perform Procedures Record business transactions Use accounting techniques Prepare financial statements | 63 |
| AO3 | Demonstrate Understanding Demonstrate understanding of accounting processes, procedures and techniques | 10 |
| AO4 | Analyse Compare, classify and deconstruct information Interpret financial data and information Recognise patterns and correlations | 10 |
| AO5 | Evaluate Build a reasoned decision Make judgments about significance of information Predict consequences | 5 |

Grade descriptors

Pass

Candidates can recall, use and apply financial accounting facts, terms definitions, processes and formulae.

Candidates can demonstrate basic understanding of financial accounting processes, procedures and techniques.

Candidates can record business transactions using correct accounting techniques.

Candidates can prepare accurate financial statements with routine transactions.

Candidates can select and use accounting information.

Candidates can make judgements which are supported with limited evidence.

Distinction

Candidates can demonstrate a detailed knowledge of financial accounting facts, terms, definitions, processes and formulae using them consistently and effectively in given scenarios.

Candidates can demonstrate a detailed understanding of financial accounting processes, procedures, techniques and concepts.

Candidates can record business transactions using correct accounting techniques with precision.

Candidates can prepare accurate financial statements with non-routine transactions for different purposes.

Candidates can interpret, select and use relevant accounting information from complex redundant information.

Candidates can interpret, analyse, select and use relevant accounting information to assess accounting problems or situations.

Candidates can synthesise complex information and make connections between accounting concepts in order to make judgements that are supported and justified with pertinent evidence.

Candidates can communicate complex financial information in an appropriate format for a range of different stakeholders.

Command words

The below table shows the list of the defined command words that will be used for LCCI Level 2 Bookkeeping & Accounting, Level 3 Accounting, Level 3 Financial Accounting and Level 4 Financial Accounting.

| Command or term | Definition |
|-----------------|--|
| Assess | Give careful consideration to all the factors or events that apply and identify which are the most important or relevant, Make a judgement on the relative importance of things, and come to a conclusion where needed. |
| Calculate | Obtain a numerical answer, showing relevant working. If the answer has a unit, this should be included. This can include using a formulae to calculate a numerical answer. |
| Complete | This requires the completion of a table or structure. This may include a calculation which will then be required to fill the incomplete table/structure. |
| Define | Give the meaning of a term or phrase. |
| Describe | To give an account of something. Statements in the response need to be developed as they are often linked but do not need to include a justification or reason. Requires a sequence or order. |
| Discuss* | Identify the issue/situation/problem/argument that is being assessed within the question. Explore all aspects of an issue/situation/problem/argument. Investigate the issue/situation etc. by reasoning or argument. Make a judgement and come to a conclusion where needed. |
| Evaluate* | This will involve reviewing information and then bringing it together to form a conclusion, drawing on evidence including strengths, weaknesses, alternative actions, relevant data or information. A supported judgement/decision will be reached in relation to its context. |
| Explain | An explanation requires an identification of a point linked with justification/reasoning. If the question is more than 2 marks, then extra marks are for each additional justification/reasoning point made. |
| Give a reason | Provide examples, justifications and/or reasons. |
| Identify | This requires information to be selected from a range of possibilities, list or given stimulus. One mark per item. |
| Prepare | This will involve arranging financial information into an appropriate format. |

| | |
|------------|--|
| Recommend* | Use analysis of data to evaluate options and make a justified advisory decision. Instruction 'with justification' should be included with the question. |
| State | Require recall/understanding of one or more pieces of information. |

* As these command word are linked to AO5 (Evaluate) they should not appear in exam papers for Level 2 Bookkeeping & Accounting.