



Pearson LCCI Computerised Bookkeeping (Level 2): Introduction to the New Specification (Tally) Event code 15IOLC08

Your Online Environment



Technical Difficulties & Support

Recording

Communication in an online environment

Asking Questions

Using Polls

Downloading documents





Aims and Objectives

- To gain an in-depth understanding about the key changes to the Financial and Quantitative specifications and sample assessment materials
- To feel confident when transitioning onto the updated specifications
- To find out when our support materials will be available (delivery guides and textbooks)
- To ask any questions you may have about how to implement and deliver the specifications



Session Agenda

- Changes to Course Title and Course Code
- What's new in the specification?
- Aim of the Specification
- Recommended Guided Learning Hours
- Length of the exam
- Assessment Objectives and Changes to Grading System
- Awards: Pass/Merit/Distinction
- The use of Accounting Standard Terminology
- Exam Focus: Changes to the exam format
- Exam Focus: New requirements within the specification

Poll



**Polls to
get to
know the
delegates**

Customer value proposition





Offer	Description
A range of learning and teaching resources	Specifications, Sample Assessment Materials, Schemes of Work, teacher delivery guides and student books- both free and paid for.
Training	Both online and face-to-face events to understand the qualification, improve the quality of delivery, make sure centres are fully aware of all the resources available to support them.
Exam Wizard	A free online resource designed to support learners and teachers with exam preparation and assessment, ready for 2016
ResultsPlus	Innovative and unique to Edexcel, this is a sophisticated results analysis tool that can be used to improve teaching and learning strategies, driving performance. This allows teachers and learners to understand their areas of strength and weakness. Available from June 2016 assessment
Course Finder website	Showing which universities around the world recognise LCCI qualifications - for entry on to a degree level programme, and the entry criteria at these institutions. Available from 2016.
UCAS	<p>The following Pearson LCCI Financial and Quantitative qualifications have been awarded the new UCAS Tariff points:</p> <ul style="list-style-type: none"> • Pearson LCCI Level 3 Certificate in Financial Accounting (VRQ) • Pearson LCCI Level 3 Certificate in Cost and Management Accounting (VRQ) • Pearson LCCI Level 3 in Certificate in Business Statistics (VRQ) <p>If a learner receives a Distinction they will awarded 24 points, a Merit will be awarded 18 points and a Pass 16 points.</p> <p>We are currently seeking recognition from HEI`s on our LCCI course, this will be confirmed in 2016</p>
Professional body exemptions	Please download professional exemption document to view our exemptions
Greater support	We currently have an `ask the expert` facility that centres can use to ask technical questions based on the Financial and Quantitative qualifications. We are planning to recruit a subject expert to offer a more instance query resolution service early 2016.
Increase in series	Increase in our series examinations in most our level 1, 2 and 3 qualifications



Title and Course Code

The **previous qualification** was titled Level 2 Award in Computerised Book-keeping Skills with the **old** course code ASE20054

The **new qualification** is titled Level 2 Award in Computerised Bookkeeping with the **new** course code ASE20095



Aims of the New Specification

- In line with the previous specification, the purpose of the qualification remains to develop students' skills and competence in using computerised accounting software.
- Students are still expected to produce accurate, professional and well presented accounting information, employing an appropriate range of accounting techniques.



Aims of the New Specification

The three key skills of

- Setting up company data and making journal and ledger entries
- Processing routine payments and receipts
- Producing appropriate accounting reports for management purposes

remain central to the purpose of the qualification.



Guided Learning Hours (GLH)

- The previous specification had a recommended GLH of 45 – 60 hours with discretion, i.e. considering additional time for self study and the type of student
- The new specification is in line with this recommending 50 GLH hours with the centres ensuring additional time for self study and preparation for the final exam in addition to the GLH stated above



Examination

- The time for the old specification exam was 2 hours and 30 mins. This has increased to 2 hours 45 mins with the new specification
- The examination will consist of 180 marks
- One externally set and marked paper, consisting of 100% of the overall grade of the qualification
- The paper comprises two sections
- Students answer all tasks from Section A and Section B
- Students are required to generate and save all tasks in PDF format



Assessment - Old

The previous specification ASE20054 assessed students by checking generated reports for errors.

Grades were determined by the types and number of errors occurring in a candidate's work.



Assessment - Old

Errors were 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**

Assessment - Old

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



Assessment - Old

Processing errors:

- 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
- failure to carry out the Bank Reconciliation process

Assessment - Old

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



Assessment - New

The new specification takes a developed approach to assessment.

The aim is to ensure that examinations are appropriately targeted.

They describe the abilities that students should be able to demonstrate.

Each question targets one or more assessment objectives.



Assessment Objectives - New

Students must:		%
AO1	Memorise <ul style="list-style-type: none">Recall accounting factsRecall accounting terms and definitionsRecall accounting processes and formulae	15-20
AO2	Perform procedures <ul style="list-style-type: none">Record business transactionsUse appropriate accounting techniquesCarry out computationsPrepare financial reports and/or statements using appropriate business formatsTake knowledge acquired and apply it to different contexts and circumstances	80-85
AO3	Communicate understanding <ul style="list-style-type: none">Understand accounting techniquesPresent/display data in tablesExplain the importance of data security and confidentiality	2-5
	Total	100



The Comparisons

The former specification looked for errors to determine whether a Pass, Merit or Distinction has been achieved

...Whereas the new specification will **mark actual entries according** to the mark scheme.

Awards



The new Pearson LCCI Level 2 Award in Computerised Bookkeeping is certified on a three grade scale:

- Pass
- Merit
- Distinction

Pass and Distinction are awarded, Merit is arithmetically calculated.



Accounting Standards Terminology

- The scenarios will use International Accounting Standards terminology throughout so it is advisable that students are familiar with the terminology
- For example in the exam, the new specification requires the generation of an **Aged Trade Receivable** report
- Tally ERP 9 calls this report Receivables. To find this report, Go to the Gateway of Tally and then Display, then Statement of Accounts and then click on 'Outstandings'



Exam Focus - Structure

- There is a new exam structure.
- There are two sections.
- Section A and Section B.



Exam Focus - Structure

- All students will need access to word processing software.
- The students must be able to save this material to a PDF format.
- The paper then continues into a Section B with an exam scenario which has the same structure as the previous specification.



Exam Focus - VAT

The KEY tax rates that are still required are:

- Standard Rate
- Zero Rate
- Exempt

The previous specification included the need to set up an 'outside the scope' rate. This new specification does not.



Exam Focus - VAT

In Tally ERP 9, UK must be chosen as country for statutory compliance to ensure the standard rate is 20%

How to get there?

- Go to Gateway of Tally > F11:Features > F3:Statutory & Taxation.
- Set Prepare & Follow British Style VAT Returns to Yes.
- Press Enter to view the company VAT returns screen, Select Sundry Debtors and Creditors and Enter to accept and save.



Exam Focus - VAT

The configurations for the zero rates are as previous specifications by physically changing the percentage when CREATING the account (OR LEDGER) AS Tally ERP 9 refers to it.

The default setting would be the 20% rate but that can be amended to the desired rate.



Exam Focus – Ref Customer and Supplier accounts

The previous specification when creating a reference for supplier accounts required the use of the first 4 letters followed by 2 digits (e.g. Pestokil Ltd – PEST01) and the customer accounts, the use of the first 3 letters followed by 3 digits (e.g. Taskers Ltd -TAS001)

The new specification requires for both supplier and customer, the first two letters, followed by two numerals

E.g. Taskers Ltd – TA01



Exam Focus – Ref Customer and Supplier accounts

Hence in Tally, when entering transactions via Accounting voucher, whether it be F8 for Sales or F9 for purchases, the reference options have always been open and flexible, allowing the creation of any type of referencing;

- E.g. Supplier – Maxim Ltd: 400-MA22
- E.g. Customer – Cheryl Ltd: 500-CH33



Exam Focus – NEW!

The previous specification assumed opening balances of zero for suppliers and customers.

The new specification requires students to input the opening balances for the supplier and customer accounts.



Exam Focus – Opening Balances: Customer and Supplier accounts

This is new and it is important to ensure students know how to enter opening balances using Tally.

This process of entering the opening balances would take place during the creation of the customer and supplier accounts in the ledgers.

Tally ERP9 enables opening balances for customer and supplier accounts (OTHERWISE CALLED LEDGERS IN TALLY) to include an opening balance during their creation.



Exam Focus – Opening Balances: Customer and Supplier accounts

How to do this?

- Go to Gateway of Tally > Ledgers > Single Ledger
- Create and assign the individual customer or supplier account to the parent account
- At the bottom of the screen, you'll see the option to include the opening balance



Exam Focus – Opening Balances: Customer and Supplier accounts

It is important to explain to students that when entering the opening balances for the other ledger accounts in the Trial balance, the Trade Receivable and payable accounts have already been populated as a result of the initial opening balance entries and should not be repopulated when entering the nominal ledger balances.



Exam Focus – Opening Balances: Customer and Supplier accounts

The new specification also requires the Aged Trade Receivables and Aged Trade Payables reports to be generated and saved after the customer and supplier accounts have been populated.



New Nominal Ledger Accounts

The new specification requires students to be able to create new nominal ledger accounts as well as changing existing ledger accounts as in the previous specification

In Tally, the student needs to do this through the Gateway of Tally > Ledgers > Single Ledger and create a new ledger account

To change a ledger in Tally, go to Gateway of Tally > Ledgers > Single Ledger > Alter



New Nominal Ledger Accounts

Hence, what is more likely is that ledger accounts will be amended, so go to Alter once you are in Single Ledger to change any requirements.



Other considerations

Apart from these areas, the new specification continues in line with the previous specification when it comes to:

- Journal entries
- Bank reconciliations
- Salary control accounts.
- Petty Cash transactions



Resources

The help module in Tally is extremely helpful and offers very clear and useful guidance on how to use the software.

<http://www.tallysolutions.com>

Level 2 Diploma



New diploma title	Structure	Qualifying period
Diploma in Book-Keeping & Accounting	<p>Core subject (<u>one</u> subject only)</p> <ul style="list-style-type: none">• Pearson LCCI Level 2 Certificate in Book-Keeping and Accounts (VRQ) <p>And Optional subject (<u>at least two</u> from the following)</p> <ul style="list-style-type: none">• Pearson LCCI Level 2 Award in Computerised Book-Keeping (VRQ)• Pearson LCCI Level 2 Certificate in Cost and Management Accounting (VRQ)• Pearson LCCI Level 2 Certificate in Business Statistics (VRQ)• Pearson LCCI Level 2 Business Calculations	24 months

Level 3 Diploma



New diploma title	Structure	Qualifying period
Diploma in Accounting & Finance	<p>Core subject (<u>two</u> subjects only)</p> <ul style="list-style-type: none">• Pearson LCCI Level 3 Certificate in Financial Accounting (VRQ)• Pearson LCCI Level 3 Certificate in Cost and Management Accounting (VRQ) <p>And Optional subject (<u>at least one</u> from the following)</p> <ul style="list-style-type: none">• Pearson LCCI Level 2 Award in Computerised Book-Keeping (VRQ)• Pearson LCCI Level 3 Certificate in Business Statistics (VRQ)• Pearson LCCI Level 3 Advanced Business Calculations	24 months

Level 4 Diploma



New diploma title	Structure	Qualifying period
<p>Professional Diploma in Accounting & Finance</p>	<p>Core subject (<u>three</u> subjects only)</p> <ul style="list-style-type: none"> • Pearson LCCI Level 4 Certificate in Financial Accounting (VRQ) • Pearson LCCI Level 4 Certificate in Management Accounting (VRQ) • Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) <p>*Optional “top-up” with following optional subjects:</p> <ul style="list-style-type: none"> • Pearson LCCI Level 4 Legal Environment • Pearson LCCI Level 4 Award in Islamic Finance and Business (QCF) • Pearson LCCI Level 4 Certificate in Applied Business Economics (QCF) 	<p>24 months</p>



Support

Training:

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

Resources:

Sample Assessment Materials document
qualifications.pearson.com/lccisupport

Other resources:

Past exam papers and mark schemes will become available together with examiner's reports