

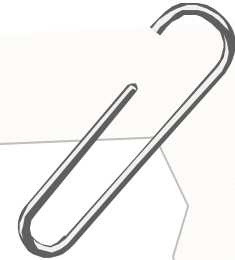


Course title

Pearson LCCI Level 2 Cost Accounting and Level 3 Cost and Management Accounting New Specification (From September 2015)

Event Code: **15IOLC06**

Your Online Environment



- Technical Difficulties & Support
- Recording
- Communication in an online environment
- Asking Questions
- Using Polls
- Downloading documents



**Polls to
get to
know the
delegates**

Aims Of the Session



- Provide an overview of the new specification for Pearson LCCI Level 2 Cost Accounting and Level 3 Cost and Management Accounting
- Highlight the changes from the 2010 specification
- Review the changes to the specification in greater detail
- Review changes to the assessment materials
- Examine assessment material which is new to the specification.



Session Agenda

- General overview and frequently asked questions
- Changes to Level 2 Cost Accounting
- Review of Assessment Objective Targeting
- Changes to Level 3 Cost and Management Accounting
- Review of Level 3 SAMs
- Question and Answer Session

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



Frequently Asked Questions

Q. Is the 2015 specification substantially different from the 2010 specification?

A. No, the core of the specification has not changed although there are some omissions and additions

Q. Will there still be Series and On demand assessments available?

A. No, there will now be EIGHT series examinations in the year which provide centres with flexibility



Frequently Asked Questions

Q. Will assessments be different?

A. Assessments will still be by multi-part questions and those questions will be **COMPULSORY**. Six questions will be set at Level 2 and five at Level 3

Q. When will the assessment for the 2010 specification cease?

A. The last assessments on the 2010 specification are currently scheduled: On demand October 2016

Series paper November 2016



Frequently Asked Questions

Q. When will the assessment for the 2015 specification commence?

A. First assessment for January 15 version is September, last assessment is April 2016. First assessment for September 2015 version is June 2016

Q. Will there still be at least two questions from materials, labour and overheads in the assessment?

A. No, there are no limitations to the topics assessed

Frequently Asked Questions



Q. Will the papers use International Accounting Standards (IAS) terminology

A. Yes, papers will be set using IAS terminology.

Centres should ensure that they are preparing their candidates using IAS terminology.

Cost Accounting – Level 2



New topics covered in specification

- Greater emphasis on main documents (See 1.1)
- Differences between marginal costing and absorption costing (See 3.2)
- Decision making using investment appraisal – payback and accounting rate of return (See 6.1)
- Role of management information systems (See 7.1)

Topics no longer covered in specification

- Entries in integrated accounts (See 2.8, 3.5, 4.11)
- Process costing (See 5.4 – 5.8)

Cost Accounting Level 2



2015 Specification	Comment
1.1 Role of cost accounting	Specific emphasis on main accounting documents
2.1 Material cost 2.2 Labour cost 2.3 Overhead cost	Removal of use of integrated accounts in 2.1, 2.2 and 2.3
3.1 Job and batch costing	Removal of process costing

Cost Accounting Level 2



2015 Specification	Comment
3.2 Marginal costing	Compared with absorption costing
4.1 Budgetary planning and control	Removal of references to integrated accounts
5.1 Managing cash flow	Revised topic
6.1 Decision making	Includes payback and ARR
7.1 Role of management information systems	Data v information and software packages

Assessment



2010 Specification	2015 Specification
Questions Five compulsory multi-part	Six compulsory multi-part
Marks 20 marks per question	Variable but generally not less than 15 or more than 25 marks per question
Command words Prepare, Name, Calculate	Wider range of command words used

Assessment Objectives and Command Words



Level 2	Level 3
AO1 Memorise 8-12% Name, State, Identify	AO1 Memorise 6-10%
AO2 Perform 65-69% Prepare, Calculate, Complete	AO2 Perform 66-70%
AO3 Communicate 9-13% Explain, Describe	AO3 Communicate 8-12%
AO4 Analyse 6-10% Advise	AO4 Analyse 6-10%
AO5 Evaluate 2-6% Evaluate	AO5 Evaluate 4-8%

Level 2 SAM



- Refer to Question 1 of the Level 2 Sample Assessment Material

Consider:

- Command words used
- New topic for the Level of Management Information



Cost and Management Accounting Level 3

New title to the qualification

New topics covered in specification

Investment appraisal – DCF, NPV, IRR (Section 8.1)

Management information (Section 9)

Topics no longer covered in specification

Wider variances – Now only material - price, usage, labour - rate, efficiency, overhead – expenditure and volume

Cost and Management Accounting Level 3



2015 Specification	Comment
1. Inventory management	No reference to JIT
2. Short term decisions	Limiting factor
3. Accounting for overheads	More detailed
4. Budgetary planning	Budgets reduced from 9 to 6 types
5. Working capital	Cash budgets and control

Cost and Management Accounting Level 3



2015 Specification	Comment
6. Standard costing	Variances limited
7. Costing methods	Process costing
8. Long term decisions	New investment appraisal
9. Management information	New topic general understanding required
10. Accounting systems	Integrated accounts consolidated

Marking Activity



2

Student response - SAM

Question: 5

Document ID: SAM and Mark Scheme

Document name: SAM and Mark Scheme



Any Questions

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

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
Professional Diploma in Accounting & Finance	<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) 	24 months