

Specification

Edexcel competence-
based qualification

Edexcel Level 3 Diploma in Accounting (QCF)

For first registration September 2010

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Publications Code N025047

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Qualification title covered by this specification

This specification gives you the information you need to offer the Edexcel Level 3 Diploma in Accounting (QCF):

Qualification title	Qualification Accreditation Number (QAN)	Accreditation start date
Edexcel Level 3 Diploma in Accounting (QCF)	500/9742/8	01/08/2010

This qualification has been accredited within the Qualifications and Credit Framework (QCF) and is eligible for public funding as determined by the Department for Education (DfE) under Sections 96 and 97 of the Learning and Skills Act 2000.

The qualification features in the funding lists published annually by the DfE and the regularly updated website. It will also appear on the Learning Aims Database (LAD), where relevant.

You should use the QCF Qualifications Accreditation Number (QAN) when you wish to seek public funding for your learners. Each unit within a qualification will also have a unique QCF reference number, which is listed in this specification.

The QCF qualification title and unit reference numbers will appear on the learners' final certification document. Learners need to be made aware of this when they are recruited by the centre and registered with Edexcel.

This replaces the following qualification from 1 August 2010:

Qualification title	Qualification Accreditation Number (QAN)	Accreditation start date	Accreditation end date
Edexcel Level 3 NVQ in Accounting	100/3657/X	01/05/2004	31/07/2010

Key features of the Level 3 Diploma in Accounting (QCF)

This qualification:

- is nationally recognised
- is based on the Accounting National Occupational Standards (NOS), owned by the Financial Services Skills Council.

The Edexcel Level 3 Diploma in Accounting (QCF) has been approved as a component required for the Accounting Apprenticeship framework.

What is the purpose of this qualification?

This qualification is designed to recognise occupational competence in accounting at Level 3 and thus provide opportunities for career and educational progression.

Who is this qualification for?

This qualification has been developed for those working, or wishing to work, in accounting. It is intended to provide progression from the Edexcel Level 2 Certificate in Accounting, allowing learners to further develop their accounting skills.

This qualification is for all learners aged 16 and above who are capable of reaching the required standards.

Edexcel's policy is that the qualifications should:

- be free from any barriers that restrict access and progression
- ensure equality of opportunity for all wishing to access the qualifications.

What are the potential job roles for those working towards this qualification?

- Accounting technician
- Accounts/finance clerk.

What progression opportunities are available to learners who achieve this qualification?

The Edexcel Level 3 Diploma provides progression onto higher-level qualifications in Accounting, Business and Management. The qualification is valued by employers, and thus its achievement allows progression into employment in accounting roles. Further information is available in *Annexe A*.

What is the qualification structure for the Edexcel Level 3 Diploma in Accounting (QCF)?

Individual units can be found in the *Units* section.

Learners must pass all 13 mandatory units to achieve a total of 41 credits.

Mandatory units		Level	Credits
1	Principles of accounts preparation	3	4
2	Extending the trial balance using accounting adjustments	3	3
3	Accounting for fixed assets	3	2
4	Prepare accounts for partnerships	3	2
5	Prepare final accounts for sole traders	3	4
6	Principles of cash management	3	2
7	Cash management	3	3
8	Principles of costing	3	4
9	Providing cost and revenue information	3	4
10	Principles of VAT	3	2
11	Preparing and completing VAT returns	3	2
12	Spreadsheet software (imported unit from eskills)	3	6
13	Professional ethics in accounting and finance	3	3
Total credits			41

How is the qualification graded and assessed?

The overall grade for this qualification is a 'pass'. The learner must achieve all the required units within the specified qualification structure.

To pass a unit the learner must:

- achieve **all** the specified learning outcomes
- satisfy **all** the assessment criteria by providing sufficient and valid evidence for each criterion
- show that the evidence is their own.

The qualification is designed to be assessed:

- in the workplace or
- in conditions resembling the workplace, as specified in the assessment requirements/strategy for the sector, or

Assessment strategy

The assessment requirements/strategy for this qualifications has been included in *Annexe D*. The assessment strategy includes details on:

- teaching and assessment strategies
- workplace assessment and simulation
- quality control of assessment
- competence of assessors and verifiers.

Evidence of competence may come from:

- **current practice** where evidence is generated from a current job role
- a **programme of development** where evidence comes from assessment opportunities built into a learning/training programme whether at or away from the workplace
- the **Recognition of Prior Learning (RPL)** where a learner can demonstrate that they can meet the assessment criteria within a unit through knowledge, understanding or skills they already possess without undertaking a course of learning. They must submit sufficient, reliable and valid evidence for internal and standards verification purposes. RPL is acceptable for accrediting a unit, several units or a whole qualification
- a **combination** of these.

It is important that the evidence is:

Valid	relevant to the standards for which competence is claimed
Authentic	produced by the learner
Current	sufficiently recent to create confidence that the same skill, understanding or knowledge persist at the time of the claim
Reliable	indicates that the learner can consistently perform at this level
Sufficient	fully meets the requirements of the standards.

Types of evidence

To successfully achieve a unit, the learner must gather evidence which shows that they have met the required standard in the assessment criteria. Evidence can take a variety of forms, including the following:

- products of work carried out in the workplace. This may include, for example, written documents, screen dumps, print-outs or electronic copies of accounting records, etc
- simulation of real work, using case studies and assignments
- oral presentation and questioning
- written tests, including multiple choice papers
- direct observation of workplace activities by the assessor
- professional discussion between the assessor and the candidate
- witness testimony from managers and others at the workplace.

Learners can use one piece of evidence to prove their knowledge, skills and understanding across different assessment criteria and/or across different units. It is, therefore, not necessary for learners to have each assessment criterion assessed separately. Learners should be encouraged to reference the assessment criteria to which the evidence relates.

Evidence must be made available to the assessor, internal verifier and Edexcel standards verifier. A range of recording documents is available on the Edexcel website www.edexcel.com. Alternatively, centres may develop their own.

What do you need to offer this qualification?

Centre recognition

Centres that have not previously offered Edexcel qualifications need to apply for and be granted centre recognition as part of the process for approval to offer individual qualifications. New centres must complete both a centre recognition approval application and a qualification approval application.

Existing centres will be given 'automatic approval' for a new qualification if they are already approved for a qualification that is being replaced by the new qualification and the conditions for automatic approval are met. Centres already holding Edexcel approval are able to gain qualification approval for a different level or different sector via Edexcel online.

Approvals agreement

All centres are required to enter into an approvals agreement which is a formal commitment by the head or principal of a centre to meet all the requirements of the specification and any linked codes or regulations. Edexcel will act to protect the integrity of the awarding of qualifications, if centres do not comply with the agreement. This could result in the suspension of certification or withdrawal of approval.

Quality assurance

Detailed information on Edexcel's quality assurance processes is given in *Annexe B*.

What resources are required to deliver this qualification?

This qualification is designed to support learners working in the Accounting sector. Physical resources need to support the delivery of the qualification and the assessment of the learning outcomes and must be of industry standard. Staff assessing the learner must meet the requirements within the assessment strategy for the sector as shown in *Annexe D*.

Unit format

Each unit in this specification contains the following sections.

Unit title:					The unit title is accredited on the QCF and this form of words will appear on the learner's Notification of Performance (NOP).
Unit code:					This is the unit owner's reference number for the specified unit.
Unit reference number:					This code is a unique reference number for the unit.
QCF level:					All units and qualifications within the QCF have a level assigned to them, which represents the level of achievement. There are nine levels of achievement, from Entry level to level 8. The level of the unit has been informed by the QCF level descriptors and, where appropriate, the NOS and/or other sector/professional.
Credit value:					All units have a credit value. The minimum credit value is one, and credits can only be awarded in whole numbers. Learners will be awarded credits when they achieve the unit.
Guided learning hours:					A notional measure of the substance of a qualification. It includes an estimate of the time that might be allocated to direct teaching or instruction, together with other structured learning time, such as directed assignments, assessments on the job or supported individual study and practice. It excludes learner-initiated private study.
Unit summary:					This provides a summary of the purpose of the unit.
Assessment requirements/evidence requirements:					The assessment/evidence requirements are determined by the SSC. Learners must provide evidence for each of the requirements stated in this section.
Assessment methodology:					This provides a summary of the assessment methodology to be used for the unit.
Learning outcomes:	Assessment criteria:	Evidence type:	Portfolio reference:	Date:	
			The learner should use this box to indicate where the evidence can be obtained eg portfolio page number.	The learner should give the date when the evidence has been provided.	
Learning outcomes state exactly what a learner should know, understand or be able to do as a result of completing a unit.		The assessment criteria of a unit specify the standard a learner is expected to meet to demonstrate that a learning outcome, or a set of learning outcomes, has been achieved.		Learners must reference the type of evidence they have and where it is available for quality assurance purposes. The learner can enter the relevant key and a reference. Alternatively, the learner and/or centre can devise their own referencing system.	

Units

Unit 1: Principles of accounts preparation

Unit reference number: M/600/4929

QCF level: 3

Credit value: 4

Guided learning hours: 35

Unit summary

This knowledge-based unit aims to enable learners to understand the procedures involved in, and the reasons for, preparing final accounts for sole traders. It raises awareness of the accounting systems that a business must put in place in order to produce meaningful information at the end of an accounting period. The unit also aims to provide the learner with an understanding of the environment and principles in which the business operates.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' knowledge and understanding of accounts preparation. In order for learners to be able to apply this knowledge and understanding effectively, this unit must be delivered and assessed alongside the following skills-based units:

- Unit 2: Extending the trial balance using accounting adjustments
- Unit 3: Accounting for fixed assets
- Unit 4: Prepare accounts for partnerships
- Unit 5: Prepare final accounts for sole traders

Unit 1 needs to be assessed only once.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1 Understand generally accepted accounting principles and concepts	<p>1.1 Explain the accounting principles of going concern, accruals, prudence and consistency</p> <p>1.2 Explain the purpose and importance of maintaining financial records for internal and external use</p> <p>1.3 Describe the type of accounting records that a business should maintain and the main uses of each</p> <p>1.4 Describe the main requirements of accounting standards in relation to stock and fixed asset valuations</p> <p>1.5 Explain the accounting characteristics relating to relevance, reliability, comparability, ease of understanding and materiality</p>			
2 Understand the principles of double-entry bookkeeping	<p>2.1 Explain the meaning of the accounting equation</p> <p>2.2 Describe the meaning of assets, liabilities and capital in an accounting context</p> <p>2.3 Describe the components of a set of final accounts for a sole trader</p> <p>2.4 Explain the purpose and use of books of prime entry and ledger accounts</p> <p>2.5 Explain the purpose of reconciliation of the sales and purchases ledgers and the cash book</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>3 Understand the accounting methods used to record assets, liabilities, income, expenses and capital</p>	<p>3.1 Explain the differences between capital and revenue expenditure</p> <p>3.2 Describe how the acquisition of fixed assets can be funded (including part exchange)</p> <p>3.3 Explain the accounting treatment for recording the acquisition and disposal of fixed assets and the need for, and methods of, providing for depreciation on them</p> <p>3.4 Describe the contents and use of the fixed asset register</p> <p>3.5 Explain the accounting treatment of accruals and prepayments to expenses and revenue</p> <p>3.6 Explain the reasons for, and method of, accounting for irrecoverable debts and allowances for doubtful debts</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>4 Understand the need for, and the process involved in, the preparation of final accounts</p>	<p>4.1 Identify reasons for closing off accounts and producing a trial balance</p> <p>4.2 Explain the process and limitations of preparing a set of final accounts from a trial balance</p> <p>4.3 Describe the methods of constructing accounts from incomplete records</p> <p>4.4 Provide reasons for imbalances resulting from incorrect double entries</p> <p>4.5 Provide reasons for, and give examples of, incomplete records arising from insufficient data and inconsistencies within the data provided</p>			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: <i>(if sampled)</i>	Date:

Unit 2: Extending the trial balance using accounting adjustments

Unit reference number: M/600/4932

QCF level: 3

Credit value: 3

Guided learning hours: 25

Unit summary

This unit aims to introduce the learner to accounting adjustments for closing stock, accrued and prepaid expenses and income, and how these are incorporated into a trial balance. Provisions for depreciation to fixed assets, irrecoverable debts and allowances for doubtful debtors are also calculated and accounted for.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' skills in extending the trial balance using accounting adjustments. In order for them to do this, this unit must be delivered and assessed alongside *Unit 1: Principles of accounts preparation*, which will provide them with the necessary underpinning knowledge and understanding.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1 Account for adjustments	<p>1.1 Identify correctly items of expenses and income, and accurately adjust each for accruals and prepayments</p> <p>1.2 Record accurately the journal entries for closing stock</p> <p>1.3 Record accurately the journal entries for accrued and prepaid expenses and income</p> <p>1.4 Record accurately the journal entries for provision for depreciation, irrecoverable debts and allowances for doubtful debts</p> <p>1.5 Make relevant journal entries to close off revenue accounts in preparation for the transfer of balances to the final accounts</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
2 Prepare a trial balance	2.1 Prepare and use ledger accounts and reconcile where appropriate, identifying any discrepancies and taking appropriate action to remedy these 2.2 Accurately account for a range of adjustments, including: <ul style="list-style-type: none"> - closing stock - accruals and prepayments to expenses and income - provisions for depreciation of fixed assets - irrecoverable debts - allowance for doubtful debts 2.3 Prepare accurately a trial balance			
3 Complete the trial balance	3.1 Prepare the trial balance after adjustments 3.2 Check for errors and/or inaccuracies in the trial balance and take appropriate action to remedy these			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Unit 3: Accounting for fixed assets

Unit reference number: Y/600/4942

QCF level: 3

Credit value: 2

Guided learning hours: 15

Unit summary

This unit aims to introduce the learner to recording and accounting for fixed assets. The learner will be able to record both purchase and disposal of a fixed asset, identifying any gains or losses made on disposal and be able to calculate and apply depreciation by a given method.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' skills in accounting for fixed assets. In order for them to do this, this unit must be delivered and assessed alongside *Unit 1: Principles of accounts preparation*, which will provide them with the necessary underpinning knowledge and understanding.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1 Account for the purchase of fixed assets	1.1 Identify correctly all items of capital expenditure 1.2 Calculate total capital expenditure including all associated costs 1.3 Record the prior authority for the capital expenditure 1.4 Record in the appropriate accounts the acquisition of a fixed asset funded by: <ul style="list-style-type: none"> - cash purchase - part exchange 1.5 Accurately record the acquisition in a fixed asset register 1.6 Close off or transfer the ledger account balances at the end of the financial period			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
2 Account accurately for depreciation	2.1 Calculate the depreciation charges for a fixed asset using: <ul style="list-style-type: none"> - straight line method - reducing balance method 2.2 Record the depreciation in the fixed asset register 2.3 Record depreciation in the appropriate ledger accounts 2.4 Close off the ledger accounts at the end of the financial period, correctly identifying any transfers to the profit and loss account			
3 Account for the disposal of fixed assets	3.1 Identify the correct asset and remove it from the fixed asset register 3.2 Correctly record in the appropriate accounts the disposal of the fixed asset 3.3 Correctly calculate any gain or loss arising from the disposal and close off or transfer the account balance			
4 Take appropriate action when dealing with issues arising from fixed asset records	4.1 Identify and resolve, or refer to an appropriate person any queries, unusual features or discrepancies relating to the accounting records for fixed assets			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Unit 4: Prepare accounts for partnerships

Unit reference number: A/600/4934

QCF level: 3

Credit value: 2

Guided learning hours: 15

Unit summary

This unit aims to introduce the learner to the legal requirements and the preparation of partnership accounts. The learner will be able to prepare final accounts for a partnership showing the division of profits after adjusting for interest on capital, interest on drawings and any salaries due to each partner.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' understanding and skills in preparing accounts for partnerships. In order for them to do this, this unit must be delivered and assessed alongside *Unit 1: Principles of accounts preparation*, which will provide learners with the necessary underpinning knowledge and understanding.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1	<p>Have a basic understanding of legislation relating to the formation of a partnership</p> <p>1.1 Describe the key components of a partnership agreement</p> <p>1.2 Identify and describe the key components of partnership accounts</p> <ul style="list-style-type: none"> - profit and loss account (income statement) - partnership appropriation account - goodwill - partners' current accounts - partners' capital accounts - balance sheet (statement of financial position) 			
2	<p>Prepare a profit and loss appropriation account</p> <p>2.1 Prepare the profit and loss (income statement) appropriation account for a partnership</p> <p>2.2 Accurately determine the allocation of profit to partners after allowing for interest on capital, interest on drawings and any salary paid to partner(s)</p> <p>2.3 Prepare the current accounts for each partner and calculate the closing balance</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
3 Prepare a balance sheet relating to a partnership	3.1 Record accurately the closing balances on each partner's capital and current accounts, including drawings 3.2 Prepare a balance sheet (statement of financial position) for a partnership, in compliance with the partnership agreement			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Unit 5: Prepare final accounts for sole traders

Unit reference number: F/600/4935

QCF level: 3

Credit value: 4

Guided learning hours: 35

Unit summary

This unit aims to develop the learner's accounting skills in restructuring accounting information and preparing final accounts for a sole trader. It includes the accounting treatment required to incorporate accruals and prepayments, provision for depreciation, irrecoverable debts and allowance for doubtful debts.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology`

This unit develops learners' skills in preparing accounts for sole traders. In order for them to do this, this unit must be delivered and assessed alongside *Unit 1: Principles of accounts preparation*, which will provide learners with the necessary underpinning knowledge and understanding.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>1 Prepare accounting records from incomplete information</p>	<p>1.1 Calculate accurately the opening and/or closing capital using incomplete information</p> <p>1.2 Calculate accurately the opening and/or closing cash/bank account balance</p> <p>1.3 Prepare sales and purchases ledger control accounts and use these to correctly calculate sales, purchases and bank figures</p> <p>1.4 Calculate accurately account balances using mark ups and margins</p> <p>1.5 Prepare accurately journal entries or ledger accounts to take account of:</p> <ul style="list-style-type: none"> - closing stock - accruals and prepayments - depreciation - allowance for doubtful debts - irrecoverable debts - the gain/loss on disposal of a fixed asset - purchase of assets 			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
2 Produce accurate final accounts	2.1 Produce a trial balance from accounting information 2.2 Prepare a profit and loss account (income statement) 2.3 Prepare a balance sheet (statement of financial position)			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Unit 6: Principles of cash management

Unit reference number: R/600/4938

QCF level: 3

Credit value: 2

Guided learning hours: 15

Unit summary

This unit is about understanding the principles of managing cash balances and deficits within an organisation. The learner will be able to advise on the options available to raise finance, and the options available for investment of surplus cash. The learner will be able to offer advice that is without detriment to the cash flow of normal business activities, and without risk to the organisation.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' knowledge and understanding of managing cash balances and deficits. In order for learners to be able to apply this knowledge and understanding effectively, this unit must be delivered and assessed alongside *Unit 7: Cash management*.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>1 Understand how the external environment impacts on how an organisation manages cash assets</p>	<p>1.1 Explain how government monetary policies affect an organisation's treasury functions</p> <p>1.2 Explain how recording and accounting practices may vary in different parts of the organisation</p> <p>1.3 Describe how an organisation's principles of cash management will be determined by their specific financial regulations, guidelines and security procedures</p> <p>1.4 Identify statutory and other regulations relating to the management of cash balances in different types of organisations</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>2 Be able to make informed decisions regarding the management of cash balances within an organisation</p>	<p>2.1 Identify the characteristics of the main types of cash receipts and payments of:</p> <ul style="list-style-type: none"> - regular revenue receipts - capital receipts - exceptional receipts and payments - drawings <p>2.2 Explain how an organisation can raise finance from a bank through overdrafts and loans, and the basic terms and conditions associated with each of these types of financing</p> <p>2.3 Explain different types of investment, the risks and terms and conditions associated with them, including:</p> <ul style="list-style-type: none"> - certificates of deposit - government securities - local authority short term loans - shares 			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>3 Understand a range of accounting and other business techniques used to improve the efficiency of cash management procedures within an organisation</p>	<p>3.1 Identify the component parts of cash budgets and how these are presented to aid decision making</p> <p>3.2 Explain the effects of lagged receipts and payments upon an organisation's cash management</p> <p>3.3 Describe the relationship between cash flow accounting and accounting for income and expenditure</p> <p>3.4 Identify the principles of liquidity management</p> <p>3.5 Explain techniques that can be used for estimating future trends</p> <ul style="list-style-type: none"> - moving averages - allowance for inflation <p>3.6 Identify the ways to manage risk and exposure when investing, to minimise potential losses to the organisation</p>			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Unit 7: Cash management

Unit reference number: L/600/4940

QCF level: 3

Credit value: 3

Guided learning hours: 25

Unit summary

This unit is about managing cash balances to ensure the ongoing liquidity of an organisation. The learner will be able to make informed decisions regarding both borrowing and investing surplus funds.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' skills in managing cash balances. In order for them to do this, the unit must be delivered and assessed alongside *Unit 6: Principles of cash management*, which will provide them with the necessary underpinning knowledge and understanding.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1 Prepare forecasts of income and expenditure for a given accounting period	1.1 Determine the likely pattern of cash flows over the accounting period, and anticipate any exceptional receipts or payments 1.2 Ensure forecasts of future cash payments and receipts agree with known income and expenditure trends 1.3 Prepare cash budgets and clearly indicate net cash requirements			
2 Use forecasts to monitor cash flow within the organisation	2.1 Monitor cash receipts and payments against budgeted cash flow 2.2 Identify significant deviations from the cash budget and take corrective action within organisational policies			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
3 Use cash balances effectively	3.1 Observe the organisation's financial regulations and security procedures 3.2 Take account of trends in the economic and financial environment in managing cash balances 3.3 Manage cash, overdrafts and loans in order to maintain an adequate level of liquidity in line with cash forecasts 3.4 Anticipate cash requirements and arrange overdraft and loan facilities on the most favourable terms available 3.5 Invest surplus funds according to organisational policy and within defined financial authorisation limits			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: <i>(if sampled)</i>	Date:

Unit 8: Principles of costing

Unit reference number: M/600/4946

QCF level: 3

Credit value: 4

Guided learning hours: 35

Unit summary

This unit is about understanding principles of costing. Learners will be able to identify why cost accounting is an important tool within an organisation. They will be able to recognise different approaches to cost accounting and make informed and reasoned judgements to guide management.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' knowledge and understanding of costing. In order for them to be able to apply this knowledge and understanding effectively, this unit must be delivered and assessed alongside *Unit 9: Providing cost and revenue information*.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1 Demonstrate an understanding of the role of costing within the organisation	<p>1.1 Explain the purpose of internal reporting and providing accurate information to management in terms of decision making, planning and control</p> <p>1.2 Explain the relationship between the various costing and accounting systems within an organisation</p> <p>1.3 Identify the responsibility centres, cost centres, profit centres and investment centres within an organisation</p> <p>1.4 Explain the characteristics of different types of cost classifications and their use in costing</p>			
2 Advise on the most appropriate costing methods to use within an organisation	<p>2.1 Identify the most appropriate methods of stock control and valuation</p> <p>2.2 Identify costs and the correct classification</p> <ul style="list-style-type: none"> - fixed - variable - semi-variable - stepped <p>2.3 Identify the differences between marginal and absorption costing</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
	<p>2.4 Identify the bases of allocating and apportioning indirect costs to cost centres</p> <ul style="list-style-type: none"> - direct - step down methods <p>2.5 Identify the bases used for absorption, and the reasons for their use</p> <ul style="list-style-type: none"> - machine hours - labour hours <p>2.6 Identify the most appropriate costing system</p> <ul style="list-style-type: none"> - job - batch - unit - process - service <p>2.7 Recognise stock in its various stages</p> <ul style="list-style-type: none"> - raw materials - part-finish goods (work in progress) - finished goods 			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>3 Understand the principles of using costing as a decision making tool</p>	<p>3.1 Explain the effect of changing activity levels on unit costs</p> <p>3.2 Explain the principles of discounted cash flow</p> <p>3.3 Identify the considerations affecting short-term decision making using:</p> <ul style="list-style-type: none"> - relevant costs - break-even analysis - margin of safety - target profit - profit-volume analysis - limiting factors <p>3.4 Identify the considerations affecting long-term decision-making using:</p> <ul style="list-style-type: none"> - payback - discounted cash flow. 			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Unit 9: Providing cost and revenue information

Unit reference number: A/600/4951

QCF level: 3

Credit value: 4

Guided learning hours: 35

Unit summary

This unit is about providing cost and revenue information. Learners will be able to record and analyse information relating to costs. They will be able to apportion costs according to organisational requirements and correctly identify any deviations that need to be reported to management.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' skills in providing cost and revenue information. In order for them to do this, this unit must be delivered and assessed alongside *Unit 8: Principles of costing*, which will provide them with the necessary underpinning knowledge and understanding.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1 Record and analyse information relating to costs	<p>1.1 Record and analyse costs in accordance with the organisation's costing procedures</p> <p>1.2 Analyse cost information for materials, labour and expenses</p>			
2 Apportion costs according to organisational requirements	<p>2.1 Attribute overhead costs to production and service cost centres in accordance with agreed bases of allocation and apportionment</p> <p>2.2 Calculate overhead absorption rates in accordance with agreed bases of absorption</p> <p>2.3 Make adjustments for under and over recovered overhead costs in accordance with established procedures</p> <p>2.4 Review methods of allocation, apportionment and absorption at regular intervals and implement agreed changes to methods</p> <p>2.5 Communicate with relevant staff to resolve any queries in overhead cost data</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
3 Correctly identify any significant deviations and report these to management	3.1 Compare budget costs with actual costs and note any variances 3.2 Analyse variances accurately and prepare relevant reports for management 3.3 Inform budget holders and other managers of any significant variances, making valid suggestions for remedial action 3.4 Prepare estimates of future income and costs for decision making 3.5 Prepare reports in an appropriate format and present these to management within the required timescales			

Learner name:		Date:
Learner signature:		Date:
Assessor signature:		Date:
Internal verifier signature: <i>(if sampled)</i>		Date:

Unit 10: Principles of VAT

Unit reference number: F/600/4952

QCF level: 3

Credit value: 2

Guided learning hours: 15

Unit summary

This unit is about understanding the current VAT regulations. Learners will understand the VAT registration requirements, the different VAT schemes available, the penalties for non-compliance and the different types of classification of supplies.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops learners' knowledge and understanding of VAT regulations. In order for learners to be able to apply this knowledge and understanding effectively, this unit must be delivered and assessed alongside *Unit 11: Preparing and completing VAT returns*.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>1 Understand VAT regulations</p>	<p>1.1 Identify sources of information on VAT</p> <p>1.2 Explain the relationship between the organisation and the relevant government agency</p> <p>1.3 Explain the VAT registration requirements</p> <p>1.4 Identify the information that must be included on business documentation of VAT registered businesses</p> <p>1.5 Recognise different types of inputs and outputs</p> <p>1.6 Identify how different types of supply are classified for VAT purposes</p> <ul style="list-style-type: none"> - standard supplies - exempt supplies - zero rated supplies - imports - exports 			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
	<p>1.7 Explain the requirements and the frequency of reporting for the following VAT schemes:</p> <ul style="list-style-type: none"> - annual accounting - cash accounting - flat rate scheme - standard scheme <p>1.8 Recognise the implications and penalties for the organisation resulting from failure to abide by VAT regulations including the late submission of VAT returns</p>			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>1 Complete VAT returns accurately and in a timely manner</p>	<p>1.1 Correctly identify and extract relevant data for a specific period from the accounting system</p> <p>1.2 Calculate accurately relevant inputs and outputs</p> <ul style="list-style-type: none"> - standard supplies - exempt supplies - zero rated supplies - imports - exports <p>1.3 Calculate accurately the VAT due to, or from, the relevant tax authority</p> <p>1.4 Make adjustments and declarations for any errors or omissions identified in previous VAT periods</p> <p>1.5 Complete accurately and submit a VAT return within the statutory time limits along with any associated payments</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
2 Communicate VAT information	2.1 Inform managers of the impact that the VAT payment may have on the company cash flow and financial forecasts 2.2 Advise relevant people of the impact that any changes in VAT legislation, including the VAT rate, would have on the organisation's recording systems 2.3 Communicate effectively with the relevant tax authority when seeking guidance			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: <i>(if sampled)</i>	Date:

Unit 12: Spreadsheet software

Unit reference number: J/502/4626

QCF level: 3

Credit value: 6

Guided learning hours: 45

Unit summary

This is the ability to use a software application designed to record data in rows and columns, perform calculations with numerical data and present information using charts and graphs.

This unit is about the skills and knowledge required by an IT user to select and use a wide range of advanced spreadsheet software tools and techniques to produce, present and check complex and non-routine spreadsheets.

Spreadsheet software tools and techniques will be described as 'advanced' because: the range of data entry, manipulation and outputting techniques will be complex and non-routine; the tools, formulas and functions needed to analyse and interpret the required information require complex and non-routine knowledge and understanding (for example, data restrictions, data validation using formulas, pivot tables, data maps). The user will take full responsibility for setting up and developing the functionality of the spreadsheet.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops the skills and knowledge required by an IT user to select and use a range of advanced spreadsheet software tools and techniques to produce, present and check complex and non-routine spreadsheets.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
1 Use a spreadsheet to enter, edit and organise numerical and other data	<p>1.1 Identify what numerical and other information is needed in the spreadsheet and how it should be structured</p> <p>1.2 Enter and edit numerical and other data accurately</p> <p>1.3 Combine and link data from different sources</p> <p>1.4 Store and retrieve spreadsheet files effectively, in line with local guidelines and conventions where available</p>			
2 Select and use appropriate formulas and data analysis tools and techniques to meet requirements	<p>2.1 Explain what methods can be used to summarise, analyse and interpret spreadsheet data and when to use them</p> <p>2.2 Select and use a wide range of appropriate functions and formulas to meet calculation requirements</p> <p>2.3 Select and use a range of tools and techniques to analyse and interpret data to meet requirements</p> <p>2.4 Select and use forecasting tools and techniques</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>3 Use tools and techniques to present, and format and publish spreadsheet information</p>	<p>3.1 Explain how to present and format spreadsheet information effectively to meet needs</p> <p>3.2 Select and use appropriate tools and techniques to format spreadsheet cells, rows, columns and worksheets effectively</p> <p>3.3 Select and use appropriate tools and techniques to generate, develop and format charts and graphs</p> <p>3.4 Select and use appropriate page layout to present, print and publish spreadsheet information</p> <p>3.5 Explain how to find and sort out any errors in formulas</p> <p>3.6 Check spreadsheet information meets needs, using IT tools and making corrections as necessary</p> <p>3.7 Use auditing tools to identify and respond appropriately to any problems with spreadsheets</p>			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: <i>(if sampled)</i>	Date:

Unit 13: Professional ethics in accounting and finance

Unit reference number: K/600/4962

QCF level: 3

Credit value: 3

Guided learning hours: 25

Unit summary

This unit is about recognising the importance of the ethical duties of an accounting technician. Learners will know how to work within the codes to ensure that the public can gain a level of confidence in accounting practices or functions, and to protect their own and their organisation's professional reputation and integrity.

Assessment requirements/evidence requirements

Assessment must be carried out in way that is consistent with the requirements outlined in *Annexe D: Assessment Strategy*.

To pass the unit, learners must meet all of the assessment criteria.

Assessment methodology

This unit develops the learner's understanding of the importance of the ethical duties of an accounting technician.

Learners can enter the types and location of evidence they are presenting for assessment, and the submission date, against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>1 Understand the principles of ethical working in accountancy or payroll</p>	<p>1.1 Explain the general principles of ethical behaviour including:</p> <ul style="list-style-type: none"> - integrity (including honesty) - objectivity - professional and technical competence and due care - confidentiality - professional behaviour <p>1.2 Summarise the relevant legal, regulatory and ethical requirements affecting the accounting and finance sector and their own industry</p> <p>1.3 Explain the role of professional bodies relevant to their work</p> <p>1.4 Explain why they and their organisation or industry are expected to operate within codes of conduct and practice</p> <p>1.5 Explain how organisations can be at risk from improper practice and why it is important to be vigilant</p> <p>1.6 Identify opportunities to maintain their continuing professional development in line with the requirements of relevant professional bodies</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>2 Know how to behave in an ethical manner when working with internal and external customers</p>	<p>2.1 Explain how to act appropriately and with integrity, honesty, fairness and sensitivity when working with clients, suppliers, colleagues and others</p> <p>2.2 Identify why it is important to keep a professional distance between professional duties and personal life at all times</p> <p>2.3 Explain why it is important to adhere to organisational and professional values, codes of practice and regulations at all times</p> <p>2.4 Explain why it is important to adhere to policies for handling clients' monies</p> <p>2.5 Explain why information should be kept confidential</p> <p>2.6 Identify circumstances when confidential information should be disclosed and who is entitled to the information</p> <p>2.7 Explain the importance of working within the limits and confines of their own professional experience, knowledge and expertise</p> <p>2.8 Summarise the advice to clients on the retention of books, working papers and other documents</p>			

Learning outcomes	Assessment criteria	Evidence type	Portfolio reference	Date
<p>3 Understand when and how to take appropriate action following any suspected breaches of ethical codes</p>	<p>3.1 Identify the relevant authorities and internal departments to whom unethical behaviour, breaches of confidentiality, suspected illegal acts or other malpractice should be reported</p> <p>3.2 Recognise when the relevant authority should be advised if an employee has concerns over work they have been asked to complete</p> <p>3.3 Identify any inappropriate client behaviour and how to report it to the relevant authority</p> <p>3.4 Explain the procedures which should be followed if an employee suspects an employer, colleague or client has committed, or may commit, an act which is believed to be illegal or unethical eg whistle blowing</p>			

Learner name:	Date:
Learner signature:	Date:
Assessor signature:	Date:
Internal verifier signature: (if sampled)	Date:

Further information

Our customer service numbers are:

BTEC and NVQ	0844 576 0026
GCSE	0844 576 0027
GCE	0844 576 0025
The Diploma	0844 576 0028
DiDA and other qualifications	0844 576 0031

Calls may be recorded for training purposes.

Useful publications

Related information and publications include:

- Centre Handbook for Edexcel QCF NVQs and Competence-based Qualifications published annually
- functional skills publications – specifications, tutor support materials and question papers
- *Regulatory Arrangements for the Qualification and Credit Framework* (published by Ofqual, August 2008)
- the current Edexcel publications catalogue and update catalogue.

Edexcel publications concerning the Quality Assurance System and the internal and standards verification of vocationally related programmes can be found on the Edexcel website.

NB: Some of our publications are priced. There is also a charge for postage and packing. Please check the cost when you order.

How to obtain National Occupational Standards

National occupational standards can be obtained from the Financial Services Skills Council website:

www.fssc.org.uk

Professional development and training

Edexcel supports UK and international customers with training related to NVQ and BTEC qualifications. This support is available through a choice of training options offered in our published training directory or through customised training at your centre.

The support we offer focuses on a range of issues including:

- planning for the delivery of a new programme
- planning for assessment and grading
- developing effective assignments
- building your team and teamwork skills
- developing student-centred learning and teaching approaches
- building functional skills into your programme
- building effective and efficient quality assurance systems.

The national programme of training we offer can be viewed on our website (www.edexcel.com/training). You can request customised training through the website or by contacting one of our advisers in the Training from Edexcel team via Customer Services to discuss your training needs.

The training we provide:

- is active
- is designed to be supportive and thought provoking
- builds on best practice
- may be suitable for those seeking evidence for their continuing professional development.

Annexe A: Progression pathways

The Edexcel qualification framework for the Accounting and Finance sector

Level	General qualifications	Diplomas	BTEC vocationally-related qualifications	BTEC specialist qualification/professional	NVQ/competence
8					
7					
6					
5			Edexcel BTEC Level 5 Higher National Diploma in Business (Accounting) (QCF)		
4					
3		Edexcel Level 3 Principal Learning in Business, Administration and Finance	Edexcel BTEC Level 3 Certificate/Subsidiary Diploma in Personal and Business Finance (QCF) Edexcel BTEC Level 3 Diploma/Extended Diploma in Business (Accounting) (QCF)	Edexcel BTEC Level 3 Award in Financial Services Regulation, Ethics and Trends (QCF)	Edexcel Level 3 Diploma in Accounting (QCF) Edexcel Level 3 Award in Providing Financial Advice Edexcel Level 3 NVQ in Retail Financial Services

Level	General qualifications	Diplomas	BTEC vocationally-related qualifications	BTEC specialist qualification / professional	NVQ / competence
2		Edexcel Level 2 Principal Learning in Business, Administration and Finance			Edexcel Level 2 Certificate in Accounting (QCF) Edexcel Level 2 NVQ in Retail Financial Services
1		Edexcel Level 1 Principal Learning in Business, Administration and Finance			
Entry					

Annexe B: Quality assurance

Key principles of quality assurance

- A centre delivering Edexcel qualifications must be an Edexcel recognised centre and must have approval for qualifications that it is offering.
- The centre agrees as part of gaining recognition to abide by specific terms and conditions around the effective delivery and quality assurance of assessment; the centre must abide by these conditions throughout the period of delivery.
- Edexcel makes available to approved centres a range of materials and opportunities to exemplify the processes required for effective assessment and provide examples of effective standards. Approved centres must use the guidance on assessment to ensure that staff who are delivering Edexcel qualifications are applying consistent standards.
- An approved centre must follow agreed protocols for: standardisation of assessors; planning, monitoring and recording of assessment processes; internal verification and recording of internal verification processes; and for dealing with special circumstances, appeals and malpractice.

Quality assurance processes

The approach to quality assured assessment is made through a partnership between a recognised centre and Edexcel. Edexcel is committed to ensuring that it follows best practice and employs appropriate technology to support quality assurance process where practicable. Therefore, the specific arrangements for working with centres will vary. Edexcel seeks to ensure that the quality assurance processes that it uses do not place undue bureaucratic processes on centres and works to support centres in providing robust quality assurance processes.

The learning outcomes and assessment criteria in each unit within this specification set out the standard to be achieved by each learner in order to gain each qualification. Edexcel operates a quality assurance process, which is designed to ensure that these standards are maintained by all assessors and verifiers.

For the purposes of quality assurance all individual qualifications and units are considered as a whole. Centres offering these qualifications must be committed to ensuring the quality of the units and qualifications they offer, through effective standardisation of assessors and internal verification of assessor decisions. Centre quality assurance and assessment processes are monitored by Edexcel.

The Edexcel quality assurance processes will involve:

- gaining centre recognition and qualification approval if a centre is not currently approved to offer Edexcel qualifications
- annual visits to centres by Edexcel for quality review and development of overarching processes and quality standards. Quality review and development visits will be conducted by an Edexcel quality development reviewer
- annual visits by occupationally competent and qualified Edexcel Standards Verifiers for sampling of internal verification and assessor decisions for the occupational sector
- the provision of support, advice and guidance towards the achievement of National Occupational Standards.

Centres are required to declare their commitment to ensuring quality and appropriate opportunities for learners that lead to valid and accurate assessment outcomes. In addition, centres will commit to undertaking defined training and online standardisation activities.

Annexe C: Centre certification and registration

Edexcel Standards Verifiers will provide support, advice and guidance to centres to achieve Direct Claims Status (DCS). Edexcel will maintain the integrity of Edexcel QCF NVQs through ensuring that the awarding of these qualifications is secure. Where there are quality issues identified in the delivery of programmes, Edexcel will exercise the right to:

- direct centres to take actions
- limit or suspend certification
- suspend registration.

The approach of Edexcel in such circumstances is to work with the centre to overcome the problems identified. If additional training is required, Edexcel will aim to secure the appropriate expertise to provide this.

What are the access arrangements and special considerations for the qualifications in this specification?

Centres are required to recruit learners to Edexcel qualifications with integrity.

Appropriate steps should be taken to assess each applicant's potential and a professional judgement made about their ability to successfully complete the programme of study and achieve the qualification. This assessment will need to take account of the support available to the learner within the centre during their programme of study and any specific support that might be necessary to allow the learner to access the assessment for the qualification. Centres should consult Edexcel's policy on learners with particular requirements.

Edexcel's policy on access arrangements and special considerations for Edexcel qualifications aims to enhance access to the qualifications for learners with disabilities and other difficulties (as defined by the 1995 Disability Discrimination Act and the amendments to the Act) without compromising the assessment of skills, knowledge, understanding or competence. Please refer to *Access Arrangements and Special Considerations for BTEC and Edexcel NVQ Qualifications* for further details. www.edexcel.com.

Annexe D: Assessment strategy for Accounting

Introduction and Scope

The purpose of this assessment strategy is to ensure that the Edexcel Level 2 Certificate in Accounting and the Edexcel Level 3 Diploma in Accounting are subject to consistently rigorous and fair assessment. It is also designed to ensure that individuals who make judgments about competence are both qualified and competent to do so.

The assessment strategy addresses issues of:

- teaching and assessment
- workplace assessment and simulation
- quality assurance and quality control
- the competence and development of assessors and verifiers.

A Teaching and assessment

- 1 Although individual QCF units define specific learning outcomes and assessment criteria, it is not a requirement that QCF units be taught and assessed individually.
- 2 Where two or more QCF units within a qualification contain some of the same, similar or complementary learning outcomes or assessment criteria, it is acceptable and potentially desirable that such units be taught and/or assessed together where practicable.
- 3 Therefore, centres are encouraged to consider the suitability, practicality and cost or time benefits of holistic teaching and/or assessment wherever possible.
- 4 Acceptable assessment methods for these qualifications include:
 - Products of work carried out in the workplace. This may include, for example, written documents, screen dumps, print-outs or electronic copies of accounting records, etc
 - Simulation of real work, using case studies and assignments
 - Oral presentation and questioning
 - Written tests, including multiple-choice papers
 - Observation by the assessor of workplace activities
 - Professional discussion between the assessor and the candidate
 - Witness testimony from managers and others at the workplace.
- 5 The centre will be responsible for designing, administering and marking all assessment activities.

B Workplace assessment and simulation

- 1 Assessment by candidate performance of tasks naturally undertaken in the workplace is the most reliable form of assessment and should be used wherever appropriate and practicable. Workplace assessment may take various forms, but the methods adopted must allow candidates to fully demonstrate their attainments against the assessment criteria.
- 2 In accounting, individuals are normally required to be qualified before they can be considered for the corresponding job. This is also because they are likely to be dealing with confidential and personal information. Simulation as a form of assessment is therefore acceptable in the interests of access to assessment and the integrity of data.

Simulation should replicate, as closely as possible, the performance expected in employment. Attention must be paid to: the realism of the tasks to be carried out; the realism of source and other documents; relevant legal requirements; the realism of the setting and any associated equipment; workplace and customer relationships; and the pace and intensity of work-related activity. This simulation may be computer-based where that closely resembles workplace practice.

Wherever simulation is used, it must conform to the following principles:

- Tasks must be based on the QCF units under assessment.
- Performance must be assessed against the assessment criteria in the relevant QCF units.

C Quality assurance and quality control

To promote consistency across qualifications, provision incorporates arrangements for external quality control. This will be achieved by the monitoring of centre assessment using Edexcel's standards verification procedures. For further information about these, see Annexe B.

D Competence of assessors and verifiers

Assessors and individuals responsible for verifying the quality of assessment must be competent to undertake the tasks they are required to perform. Accordingly, all must:

- 1 have relevant and credible occupational experience, including understanding of current and emerging practice, issues and legislative requirements in the occupational area concerned. Each practitioner will normally have operated at or above the level of the qualification that they are assessing or verifying.
- 2 hold a relevant vocational/professional award or other recognised evidence of occupational competence at least one level above that of the qualification being assessed or verified

or

hold a relevant vocational/professional award or other recognised evidence of occupational competence and provide sufficient evidence of experience and expertise at the level of the qualification being assessed or verified.

- 1 have knowledge and experience of the relevant operational processes for the qualification concerned
- 2 have good interpersonal skills
- 3 hold a qualification or award relevant to the assessor, verifier or moderator role they are fulfilling that is acceptable to the regulatory authorities
- 4 have a commitment to their continuing professional development.

Ofqual
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Welsh Assembly Government

Publications Code N025047 September 2010

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