

T LEVEL

Technical Qualification in Accounting

Specification

First teaching from September 2022

Version 1 December 2021



Pearson



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About Pearson

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Publication code VQ000179

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Welcome to career-ready education

T Levels are new two-year, Level 3 study programmes that will follow the study of GCSEs and Technical Awards at Key Stage 4 and offer an attractive alternative to A Levels and Apprenticeships. T Levels will combine classroom theory, practical learning and a minimum 315 hours of industry placement with an employer to make sure students have real experience of the workplace.

The Technical Qualification (TQ) is the main classroom-based element of the T Level and students will learn from a curriculum that has been shaped by industry experts. During the two-year programme, students will learn the core knowledge that underpins each industry, and they will develop occupationally specific skills that will allow them to enter skilled employment within a specific occupation.

The T Level programmes have been developed in collaboration with employers and businesses so that the content meets the needs of industry and prepares students for work. They provide the knowledge and experience needed to open the door to highly skilled employment, an Apprenticeship or higher-level study, including university.

Technical Qualification and collaboration

The Outline Content for the *T Level Technical Qualification in Accounting* has been produced by T Level panels of employers, professional bodies, and providers, based on the same standards as those used for Apprenticeships. Employers involved in designing the Outline Content include ACCA, Kingston Smith, AAT, KPMG and MWS Chartered Accountants.

Pearson has used the Outline Content to form the basis of the Technical Qualification specification. This includes:

- elaboration of the Outline Content to produce a specification that gives Providers an accurate interpretation of what needs to be taught and assessed
- enabling students to achieve threshold competence in relation to each Occupational Specialist Component
- the integration of English, maths and digital competencies.

Students who complete a *T Level Technical Qualification in Accounting* will be able to choose between moving into a skilled occupation or further study including higher education; for example, a higher or degree level Apprenticeship, or higher-level technical study. Therefore, it was essential that the qualification was developed in close collaboration with experts from professional bodies, businesses, and universities, and with the Providers who will be delivering the qualification.

Our engagement with experts during the development of the qualification ensures the content will meet your needs and give students quality preparation to help them progress. We are grateful to all university and further education lecturers, teachers, employers, professional body representatives and other individuals who have generously shared their time and expertise to help us develop these new qualifications.

Employers and professional bodies who have worked with us, including:

- ACCA
- Boots
- Santander
- Network rail
- CIPP

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1. Qualification summary and key information

T Level Technical Qualification in Accounting							
Total Guided Learning Hours (GLH)		1100 GLH					
Total Qualification Time (TQT)		1310 TQT					
First registration:	September 2022	Recommended age range:				16–19	
Core Component:	500 GLH 610 TQT	Grade:	A*–E and unclassified				
Assessment component	Assessment method	Duration	Marks	Weighting	Timetable	Availability	Marking approach
Core Paper 1 - Business Principles	Written examination	2.5 hours	90	33.3%	Set date/time	June November	Externally marked
Core Paper 2 – Application of Accounting	Written examination	2.5 hours	90	33.3%	Set date/time	June November	Externally marked
Employer Set Project	Externally set project	12 hours and 30 minutes	90	33.3%	Windowed	May November	Externally marked
Occupational Specialist Component:	600 GLH 700 TQT	Grade:	Unclassified, P, M and D				
Assistant Accountant	Externally set project	17 hours 25 minutes	258	100%	Task – specific window/set date and time	April/May	Externally marked

T Level Technical Qualification in Accounting			
Qualification Number (QN)	610/0007/9		
First Registration Date	September 2022		
Approved Age Range	16–19		
Total Guided Learning Hours (GLH)	1100 GLH*		
Total Qualification Time (TQT)	1310 TQT*		
Assessment	All assessments are externally set and marked by Pearson.		
Grading Overview	Core	Occupational specialism	Overall
	All grades for this component will be on a scale of A*–E and unclassified.	All grades for this component will be on a scale of Unclassified, Pass, Merit, Distinction.	The overall grade will be on a scale of Unclassified, Pass, Merit, Distinction, Distinction*#

* See Section 2 below for further information about GLH and TQT.

Pearson will not award the overall grade for the Technical Qualification. The overall grade will be awarded by the Institute for Apprenticeships and Technical Education (the Institute). See *Section 6 Technical Qualification grading, T Level grading and results reporting* for further information. If a student completes the assessments but is not successful in reaching the minimum threshold for the core and/or occupational specialism component, they will be issued with a U grade.

2. Introduction to the Technical Qualification in Accounting

This specification contains all the information you need to deliver the *T Level Technical Qualification in Accounting*.

This qualification forms the substantive part of the *T Level in Accounting*, which includes other elements that need to be successfully completed for students to be awarded the T Level from the Institute for Apprenticeships and Technical Education (the Institute).

In addition to the Technical Qualification, the *T Level in Accounting* will include:

- a 315-hour industry placement that is related to accounting.



Qualification structure

The *T Level Technical Qualification in Accounting* has two mandatory components.

1. Core Component

This component covers the underpinning knowledge, concepts and skills that support threshold competence in the accountancy industry. It has 500 GLH and is assessed by two-externally set Core Examinations and an Employer Set Project.

The content and detail of each of these assessments are provided in *Section 3 Core Component*.

2. Occupational Specialist Component

There is one Occupational Specialist Component in this Technical Qualification, which is 600 GLH. Students undertaking the *T Level Technical Qualification in Accounting* will complete the Assistant Accountant occupational specialism.

This component covers the occupational specialist knowledge and skills required to demonstrate threshold competence for the specialism. The occupational specialism is assessed by a skills-related project that synoptically assesses the performance outcome skills and associated underpinning knowledge.

The content and detail of the assessment for the Occupational Specialist Component is provided in *Section 4*.

Total Qualification Time (TQT) and Guided Learning Hours (GLH)

For all regulated qualifications, we specify a total number of hours that students are expected to undertake in order to complete and show achievement for the qualification – this is the Total Qualification Time (TQT). The TQT value indicates the size of a qualification.

Within the TQT, we identify the number of Guided Learning Hours (GLH) that a centre delivering the qualification needs to provide. Guided learning means activities that directly or immediately involve tutors and assessors in teaching, supervising and invigilating students, for example lectures, tutorials, online instruction and supervised study.

As well as guided learning, there may be other required learning that is directed by tutors or assessors. This includes, for example, private study, preparation for assessment and undertaking assessment when not under supervision, such as preparatory reading, revision, and independent research. TQT and GLH are assigned after consultation with users of the qualifications.

The TQT and GLH for this qualification and the two components are shown below:

TQT:

- The *T Level Technical Qualification in Accounting* has a TQT value of 1310.
- The Core Component has a TQT value of 610.
- The Occupational Specialist Component has a TQT value of 700.

GLH:

- The *T Level Technical Qualification in Accounting* has a GLH value of 1100.
- The Core Component has a GLH value of 500.
- The Occupational Specialist Component has a GLH value of 600.

T Level Technical Qualification in Accounting			
Total Guided Learning Hours (GLH)		Total Qualification Time (TQT)	
1100 GLH		1310 TQT	
Core Component		Occupational Specialist Component	
GLH	TQT	GLH	TQT
500 GLH	610 TQT	600 GLH	700 TQT

Technical Qualification aims and purpose

This Technical Qualification is for T Level students who are undertaking the *T Level in Accounting*. It is intended for students who want to progress to a career in the accountancy sector.

The purpose of the *T Level Technical Qualification in Accounting* is to ensure students have the knowledge and skills needed to progress into highly skilled employment, an Apprenticeship or higher-level study, including university, within the specialist area of accountancy.

At the end of the Technical Qualification, students are expected to demonstrate threshold competence, which means that they have gained the core knowledge and skills related to accountancy and are well placed to develop full occupational competence with additional development and support once in employment in the accountancy sector.

Student profile and progression

Students undertaking this Technical Qualification will be 16–19 years old and in full-time education. They will have chosen a T Level as an alternative to A Levels, Applied Generals, or an Apprenticeship.

The typical student will likely have:

- a clear idea as to the industry sector they wish to pursue a career in
- an idea of the type of job role they'd like to explore as a career
- taken an active choice not to pursue an Apprenticeship or needs a Level 3 qualification to pursue a higher apprenticeship.

This Technical Qualification aligns to the Payroll Administrator and Assistant Accountant Level 3 Apprenticeships and, therefore, supports progression to entry-level job opportunities in accountancy and payroll.

Job roles could include:

- Payroll administrator
- Payroll junior
- Payroll officer
- Payroll clerk
- Assistant accountant
- Trainee accounting assistant
- Account clerk
- Cashier finance assistant
- Purchase ledger clerk.

Alternatively, students could progress to the Level 3 Payroll Administrator or Assistant Accountant Apprenticeship to develop and gain certification of their occupational competence, or they could progress to higher-level Apprenticeships such as the Level 4 Professional Accountant or Taxation Technician depending on their skills or experience.

Where students may not have access to an Apprenticeship or would prefer a more academic route, they could progress to relevant Higher National Certificate (HNC) or Higher National Diploma (HND) programmes or degree programmes.

Students should always check the entry requirements for each degree programme with the relevant higher education provider.

Prior learning requirements

There are no formal prior learning requirements for the *T Level Technical Qualification in Accounting*.

However, it is the Provider's responsibility to ensure the students recruited have a reasonable expectation of success on the programme. Formal entry requirements are not set by Pearson, but we expect students to have qualifications at or equivalent to Level 2.

Students are most likely to succeed if they have:

- five GCSEs/international GCSEs at grade 4 or above, including English, Maths and Science, and/or
- Vocational Tech Award qualification(s) at Level 2 at Pass and above in a relevant subject, e.g. BTEC Tech Award in Business.

Students may demonstrate the ability to succeed in various ways. For example, they may have relevant work experience or specific aptitude shown through diagnostic tests or non-educational experience.

Transferring between T Levels

We expect some students to switch between T Levels. During Year 1, Providers should consider the degree of overlap between the two T Levels and the remaining time pre-assessment, to determine if transfers should be permitted. For funding purposes, it is important that students have made a decision about their T Level and occupational specialism by the end of their first year. T Level Core assessments will vary in terms of content coverage, duration, and method, and therefore attainment from one T Level cannot count towards another.

What does the qualification cover?

The Technical Qualification content has been designed from the Outline Content created by the Institute for Apprenticeships and Technical Education and the Legal, Finance and Accounting T Level panel.

We have used the Outline Content to create the Technical Qualification specification and assessment, which has been validated by our own panel of accounting employers and education providers to ensure it is appropriate for the progression routes identified in the above section.

Students will learn about the following topics:

- The business environment
- Careers within the finance and accounting professions
- Regulation
- Professionalism and ethics/equality, diversity and inclusion
- Security and risk
- Professional services
- Fundamentals of law
- Fundamentals of financial accounting
- Technology
- Data driven innovation/analytics and design thinking
- Research skills
- Project/change management and administration
- Fundamentals of financial accounting (accounting pathway content).

3. Core Component

The content of the Core Component has the Core Skills mapped to where there are opportunities to develop them. The competencies and skills are not expected to be developed at every point where they are mapped; but using this guidance tutors will be able to embed them into teaching to prepare students for the assessments in the Core Component.

The Core Skills are assessed through the Employer Set Project. The Core Skills for this Core Component are:

- Research and analyse using primary and secondary sources
- Work independently and collaboratively with others as part of a team
- Problem solve, determining and utilising different investigation techniques
- Communicate effectively, articulating the problem and potential solutions.

Detailed content

Please note the terms 'business' and 'business organisations' are used throughout the Outline Content and are intended to be inclusive and encompass various types of establishment, such as private, public, voluntary, sole trader, partnership, limited company, start-up, franchise, international.

Element 1: The business environment

1.1

The fundamentals and principles of business and how they are applied

- 1.1.1 The role of business in society:
 - provide goods and services to meet consumer needs and wants at a price they are willing to pay
 - provide employment and associated training opportunities
 - contribute towards the government's economic and social priorities
 - pay taxes, which can be used to pay for improvements to the infrastructure and contribute towards social welfare including education and health services
 - enhance the economic security of the country in the face of overseas competition from imported foreign goods.
- 1.1.2 The contribution of accounting businesses to supporting the role of business in society including:
 - maintaining accurate financial records of the activities of individual business organisations
 - auditing the financial statements of individual business organisations
 - measuring the financial performance of individual business organisations
 - advising individual business organisations on strategies to improve profitability.
- 1.1.3 Fundamentals of business:
 - the purpose of business activity: to supply goods and services to meet the demands of the consumer: to make a profit
 - the factors of production: labour, capital, raw materials (land) and entrepreneurship
 - the role and importance of entrepreneurship to a business: identifying gaps in the market, innovating and creating new products, creating a competitive edge for a business and promoting business growth, identifying and addressing business risks
 - the characteristics of a competitive market economy and the implications for business: many buyers and sellers, the profit motive, limited government intervention, private ownership of the factors of production, similar products
 - the interrelationship between manufacturing, wholesalers and retailers: production (manufacturing); bulk purchasing from manufacturers (wholesalers); divided into smaller quantities for sale to the end consumer (retailers)
 - the characteristics of and differences between private and public sector organisations: aims, ownership and control, finance.
- 1.1.4 Principles of business:
 - management and control – the function of management to control the factors of production and business processes within the available resources to contribute to the aims and objectives of the business
 - financial prudence – including budget setting, monitoring and control; monitoring cash flow; efficient procurement practices

	<ul style="list-style-type: none"> ○ market conduct – including pricing policies; marketing strategies; response to competitors ○ customer interests including price, quality, customer service, safe and reliable products ○ skill, care and diligence including importance of trained and competent staff; professional codes of conduct ○ relations with regulators including changing organisational practices and policies to meet the requirements of the regulators, providing constructive feedback to regulators on any proposed changes to the regulatory framework. ● 1.1.5 Business aims and objectives: <ul style="list-style-type: none"> ○ private: profit, growth, diversification, competitiveness, efficiency, cover costs (break even), survival, market leadership ○ public: service provision, cost control, value for money, service quality, meeting government standards ○ not-for-profit: raise funds and accept donations in order to generate surpluses; invest in social, environmental or cultural initiatives. ● 1.1.6 Business priorities: long-term strategic plans, medium-term operational plans, short-term business tactics. ● 1.1.7 Business contexts, drivers for change and their challenges: <ul style="list-style-type: none"> ○ organisational context: ownership and management accountability – the competing interests of owners and other stakeholders and the role of management in addressing these competing interests ○ financial context: revenue, profit, shareholder value, investors, raising business finance – the challenge of retaining profit at the expense of distributing profits to shareholders; the factors to take into account when raising business finance, costs; returns on investment and the impact on revenue and cash flow; capital depreciation ○ market context: meeting the needs of consumers, the influence of competitors – identifying consumer needs and trying to reconcile the relationship between price, quality and costs when responding to competitive market pressures ○ human resource context: skills shortages, recruitment, remuneration, contracts, incentives, promotion, training, development, unions, industrial action, workforce motivation and working practices, finance, competition, technology and globalisation. ● 1.1.8 Global business environment: features and challenges of globalisation and the role and influence of financial markets in the economy: <ul style="list-style-type: none"> ○ features of globalisation: the growing interdependence of the world's economies, cultures, and populations, and the spread of products, technology, information and jobs across national borders ○ global economy markets: consumer (retail), business (B2B) and government (B2G) (local, national, and international), opening access to borrowing, lending and investing worldwide
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	<ul style="list-style-type: none"> ○ challenges of globalisation: need for unified reporting standards to improve transparency of and reduce inconsistencies between different accounting regulations. ● 1.1.9 Opportunity cost, its application and the relationship between opportunity costs, risks and profit. ● 1.1.10 Internal and external stakeholders, their differing and competing needs and influence on business success. ● 1.1.11 The need for confidentiality when dealing with stakeholders in specific contexts including contract negotiations with customers and suppliers; merger negotiations.
1.2	<p><i>Common business models and organisational structures</i></p> <ul style="list-style-type: none"> ● 1.2.1 Common business models, their features, advantages and disadvantages and liability implications: sole trader, partnerships and private/public limited companies; corporations as entities which can sue and be sued. ● 1.2.2 Franchises in accountancy and their features, advantages and disadvantages for franchisors and franchisees, the implications for consumers. ● 1.2.3 Organisational structures, their features, advantages and disadvantages: <ul style="list-style-type: none"> ○ functional, flat, hierarchical, divisional and matrix structures. ● 1.2.4 The functions of key operational areas: financial accounting, management accounting and cost accounting. ● 1.2.5 Functions and roles in accounting: accounts receivable, accounts payable, payroll, budgeting and financial control, internal audit, reporting and financial statements. ● 1.2.6 Influence of legislative, regulatory and operational frameworks on organisational structures: <ul style="list-style-type: none"> ○ financial: including the ability of sole traders, partnerships and limited companies to raise business finance given their legal status ○ legal: including the legal basis of sole traders, partnerships and partnership agreements, limited liability partnerships and limited liability companies: legislation impacting on business including employment law, health and safety and data protection ○ reputational: including ethical behaviour of partners in accountancy practices and the impact on consumer behaviour ○ management: including the size of the accountancy practice and its relationship to organisational structure and management specialisation ○ procurement and supply: including the size of the business and the potential economies to be obtained in the procurement process ○ taxation-related issues: including different taxation requirements for sole traders and partnerships and limited companies ○ market, profit and growth-related implications: including business strategy and its implications for operational priorities in accountancy practices.

1.3	<p><i>The responsibilities of corporate governance within an organisation</i></p> <ul style="list-style-type: none"> • 1.3.1 The role of agency theory in relation to the separation of ownership and control. • 1.3.2 The principles of corporate governance in relation to: <ul style="list-style-type: none"> ◦ leadership and company values ◦ executive and non-executive director responsibilities ◦ composition and appointments and audit ◦ risk and internal control. • 1.3.3 The role of the auditor; types of audit opinion arising from a financial audit; the implications for governance. • 1.3.4 The response of the Board of Directors to internal audit reports and recommendations. • 1.3.5 The relationship between corporate governance decisions and operational management responsibilities and practices. • 1.3.6 The role of the Board of Directors including the looking after shareholder interests, determining business strategy, performance monitoring, compliance. • 1.3.7 The concept of incorporation and the rights of direct and indirect shareholders. • 1.3.8 The purpose of regulatory operational frameworks: <ul style="list-style-type: none"> ◦ accounting and reporting standards – International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and (FRS). • 1.3.9 Financial Reporting Standards: unlimited vs limited liability, taxation, Financial Conduct Authority (FCA), Financial Reporting Council (FRC). • 1.3.10 Operational framework: the elements of the conceptual framework.
1.4	<p><i>The principles of taxation and how they are applied</i></p> <ul style="list-style-type: none"> • 1.4.1 The principles of taxation and their impact on businesses: <ul style="list-style-type: none"> ◦ raising revenue, influencing expenditure patterns, the redistribution of income and as a tool of fiscal policy. • 1.4.2 UK tax legislation for Value Added Tax (VAT), Corporation Tax and payroll including National Insurance (NI) and Income Tax. • 1.4.3 Tax laws regarding pensions: <ul style="list-style-type: none"> ◦ the difference between private and occupational pension schemes ◦ contributory and non-contributory pension schemes ◦ tax liabilities on lump sum pensions payouts and draw downs ◦ tax liabilities on regular pension payments taking into account the personal allowances. • 1.4.4 Types of UK taxation: direct tax: Income Tax, Corporation Tax; indirect tax: Value Added Tax (VAT), excise and customs <ul style="list-style-type: none"> ◦ the features of direct and indirect taxation and their advantages and disadvantages.

	<ul style="list-style-type: none"> • 1.4.5 The features of the main personal and business-related taxes: <ul style="list-style-type: none"> ◦ Income Tax: how it is collected, Pay As You Earn (PAYE), personal allowances, tax bands ◦ Corporation Tax: how it is collected, businesses liable to pay Corporation Tax, impact on retained and distributed profits ◦ Value Added Tax (VAT): how it is collected; tax on purchase, exempt and zero-rated goods ◦ National Insurance: tax on employment; employer and employee contributions ◦ Capital Gains Tax: a tax on the profit made from the sale of assets such as share investments ◦ devolved taxes: devolving tax raising powers to the Scottish, Welsh, and Northern Irish parliaments including Income Tax bands, stamp duty on property sales and air passenger duty, regional and local taxes ◦ progressive tax: investments, Income Tax, tax on earned interest from savings and bonds ◦ regressive tax: property tax. • 1.4.6 VAT tax rates in the UK: zero-rated, domestic or reduced rate, standard rate and exempt • 1.4.7 Overview of how taxation can be used to influence the level of economic activity in the economy including consumer demand, business output and employment. • 1.4.8 Calculations of tax applied to accountancy: <ul style="list-style-type: none"> ◦ input and output tax ◦ inclusive of VAT, exclusive of VAT. • 1.4.9 Calculations of Income Tax using given tax rates and tax bands. • 1.4.10 Calculations of the impact of changes in Corporation Tax on distributed profits and profit for the year; tax allowances for business. • 1.4.11 The influence of the budget and fiscal policies relating to taxation and government spending: <ul style="list-style-type: none"> ◦ the tax legislative cycle and how new tax is formed: The Budget (Finance Act). • 1.4.12 Preparing and filing a tax return, reporting errors in the tax return to HMRC.
1.5	<p><i>The role of the government in controlling and directing the economy</i></p> <ul style="list-style-type: none"> • 1.5.1 Government economic policies including control of inflation, economic growth, employment and the promotion of international trade. • 1.5.2 Government policy tools that impact on businesses and the economy: fiscal and monetary policies. • 1.5.3 The role of government in market failures: the banking crisis, monopoly power.

	<ul style="list-style-type: none"> • 1.5.4 Public sector organisational structure and culture: <ul style="list-style-type: none"> ○ the role of the public sector in delivering services ○ public accountability, public administration and public management services ○ funding and financial management aspects of the public sector including central and local government, the NHS and other relevant bodies.
1.6	<p><i>Solutions-based approaches to decision-making in accounting</i></p> <ul style="list-style-type: none"> • 1.6.1 The different types of decision that occur in organisations and the features of a solutions-based approach to decision-making. <ul style="list-style-type: none"> ○ Types of decision: <ul style="list-style-type: none"> – tactical: immediate decisions – operational: short-term decisions – strategic: long-term decisions. • 1.6.2 Decision-making models: <ul style="list-style-type: none"> ○ rational decision model: a series of logical steps: useful in formulating long-term business strategy: <ul style="list-style-type: none"> – identify the need for a decision – gather relevant information – identify the alternatives – weigh the evidence – choose among alternatives – implement actions – review the decision and its impact ○ bounded-rationality decision model: used when decision-makers have insufficient time or management information: can be applied for short-term operational decisions ○ intuitive decision-making model: using instinct to make immediate/tactical decisions ○ solutions-based approach to decision-making: <ul style="list-style-type: none"> – searching for solutions rather than problems – future-focused – goal-directed – need for change ○ triple-bottom line decision-making model: in addition to identifying the financial benefits, business decision-makers identify the environmental and social impacts. • 1.6.3 Costs v financial and non-financial benefits (including public benefit) of business decisions: <ul style="list-style-type: none"> ○ financial costs to the business: including labour, capital (including depreciation), raw materials ○ financial benefits to the business: including profits and profit margins, efficiency gains (lower average costs) ○ non-financial benefits to the business: including productivity, increased market share, lower labour turnover, quality improvements, customer loyalty and retention

	<ul style="list-style-type: none"> ○ public benefit resulting from business decisions: <ul style="list-style-type: none"> – environmental impact of business decisions including carbon emissions, waste reduction, use and promotion of renewable energy – social impact of business decisions including employment, social welfare (health and mental health), standard of living, equality and diversity implications.
1.7	<p><i>The factors influencing the quality and effectiveness of business decisions</i></p> <ul style="list-style-type: none"> ● 1.7.1 'What-if?' analysis and scenario planning, and their importance. ● 1.7.2 Determining the financial and non-financial benefits of business decisions. ● 1.7.3 Ethics of decision making and responsibility in accounting. ● 17.5 Practical implications including: <ul style="list-style-type: none"> ○ time ○ skills, knowledge and understanding of the decision-makers ○ costs ○ personal/organisational bias: ignoring information which does not fit with personal beliefs or organisational culture.
1.8	<p><i>Analysis of the internal and external business environments</i></p> <ul style="list-style-type: none"> ● 1.8.1 Influences within the internal business environment: mission, values, objectives, leadership styles, organisational structure, culture and stakeholder engagement. ● 1.8.2 Influences within the external business environment including government policies, indirect stakeholders, competitive pressures, globalisation. ● 1.8.3 Situational analysis and its use in determining key influences: <ul style="list-style-type: none"> ○ SWOT analysis (strengths, weaknesses, opportunities and threats) its contribution and application to the internal and external business environment ○ STEEPLE analysis (social, technological, economic, environmental, political, legal and ethical) its contribution and application to the external business environment.
Element 2: Careers within the accounting professions	
2.1	<p><i>The roles and responsibilities of accounting professionals</i></p> <ul style="list-style-type: none"> ● 2.1.1 Professional roles and responsibilities: <ul style="list-style-type: none"> ○ financial support staff: bookkeepers, credit controllers, payroll administrators ○ accountants: financial/management accountants, chartered accountants, auditors, technicians ○ financial compliance officers. ● 2.1.2 Advantages of these roles for private individuals and business.

2.2	<p><i>The different aspects of professional accounting services</i></p> <ul style="list-style-type: none"> • 2.2.1 National and international professional accounting services, including audit services, financial statements, business finance, investment appraisal, project management, tax advice, to: <ul style="list-style-type: none"> ○ private companies: sole traders, partnerships, limited companies, multinational corporations ○ public sector departments in county councils and NHS ○ voluntary/not-for-profit organisations.
2.3	<p><i>Role of accounting functional areas/departments within organisations</i></p> <ul style="list-style-type: none"> • 2.3.1 Different functional areas and departments: <ul style="list-style-type: none"> ○ financial accounting ○ financial systems ○ financial planning ○ budgeting ○ payroll ○ management accounting ○ taxation.
2.4	<p><i>The need for qualifications and competencies in accounting</i></p> <ul style="list-style-type: none"> • 2.4.1 Professional characteristics: <ul style="list-style-type: none"> ○ autonomy ○ accountability ○ ethical behaviour ○ specialised knowledge ○ adheres to codes of professional conduct ○ qualified/licensed to practice ○ represented by professional bodies. • 2.4.2 Professional competencies: the traits/technical and personal skills, knowledge and attributes expected to do the job. • 2.4.3 Main routes into accounting professions and their advantages and disadvantages: <ul style="list-style-type: none"> ○ university degrees: costs; may not offer internships; exemptions from some professional qualifications; loss of potential income while studying full-time ○ specialist qualifications: may be expensive; some employers will pay the fees on behalf of employees ○ professional body examinations: may be expensive; study in own time; gain membership of professional bodies and in some instances international recognition of the qualification; some employers may contribute to costs of the examinations; may open up additional career opportunities and progression pathways ○ professional and skill updating: keep up to date with current legislation and accounting techniques including the use of accounting packages

	<ul style="list-style-type: none"> ○ government initiatives/apprenticeships: high quality work placements; financial support to employers; employees may only be paid the National Minimum Wage/National Living Wage. ● 2.4.4 Specialist job roles for accounting professionals: <ul style="list-style-type: none"> ○ management accountant: look after/review the company's accounts and financial position by advising managers of possible financial implications in the decision-making process ○ certified public accountant: provides accounting advice and services to the public ○ tax accountant: focus is on tax-related accounting services; chartered accountant: examines the financial information of clients and businesses including public and private organisations ○ auditor: responsible for reviewing the accounts of companies and organisations to ensure their financial records are legal and valid ○ forensic accountant: involves investigating the accounting records to determine whether firms engage in financial reporting misconduct. ● 2.4.5 The challenges arising for private individuals and organisations of skills shortages of accounting professionals: <ul style="list-style-type: none"> ○ difficulties of obtaining up-to-date accounting services from qualified accounting professionals ○ roll-out of developments in technology which improve accounting services in the finance sector is hampered ○ the global economy provides the opportunity for UK accounting professionals to obtain employment outside the UK resulting in skills shortages in the UK. ● 2.4.6 The advantages and disadvantages for the business and the individual of professional competence and accreditation being obtained via off-the job or on-the-job training schemes and accreditation routes.
2.5	<p><i>Building and maintaining long-term relationships with customers</i></p> <ul style="list-style-type: none"> ● 2.5.1 Building and maintaining long-term relationships with customers: <ul style="list-style-type: none"> ○ having professional, competent and qualified staff ○ understanding customer needs ○ understanding products ○ providing high levels of customer service ○ gaining referrals from trusted sources. ● 2.5.2 Customer needs analysis and its importance: <ul style="list-style-type: none"> ○ determining financial needs of customer ○ sourcing customer information ○ reviewing customer needs on a regular basis.

Element 3: Regulation	
3.1	<p><i>Impact of events on global markets and financial services</i></p> <ul style="list-style-type: none"> • 3.1.1 Political and environmental events that cause instability in global markets: <ul style="list-style-type: none"> ○ war, political instability in major trading nations, climate change. • 3.1.2 Overview of the financial factors that may cause a financial crisis and influence the stability of the global financial system: <ul style="list-style-type: none"> ○ high levels of credit provided to high-risk/low income individuals/businesses ○ a sudden drop in asset prices ○ run on banks due to a lack of confidence by depositors ○ level of regulation of financial services insufficiently robust ○ speculation on the financial markets financed by excessive/cheap credit ○ economic policies, interest rates and inflation rates in major economies resulting in a significant decrease in economic activity; a significant increase in unemployment; hyperinflation. • 3.1.3 Influence of the financial crisis 2008 on the financial sector in the UK and its impact: <ul style="list-style-type: none"> ○ the main financial audit opinions relating to financial statements and their impact (unqualified opinion; qualified opinion; disclaimer of opinion; adverse opinion) ○ risks, compliance and recommendations made by internal auditors in respect of control systems and processes.
3.2	<p><i>The impact of regulatory change on the accounting professions</i></p> <ul style="list-style-type: none"> • 3.2.1 Regulatory change including: <ul style="list-style-type: none"> ○ confidentiality clauses ○ data protection ○ cyber security ○ money laundering. • 3.2.2 Impact of UK Audit and mis-selling scandals including Carillion PLC, Thomas Cook and Payment Protection Insurance (PPI); some of the larger accountancy firms separate out their auditing and consultancy services to avoid potential conflicts of interests. • 3.2.3 Current government regulations to oversee audit, reporting and governance.
3.3	<p><i>The role of regulators and their purpose and authority as licensing bodies</i></p> <ul style="list-style-type: none"> • 3.3.1 Function, role, purpose and responsibilities of: <ul style="list-style-type: none"> ○ Financial Conduct Authority (FCA): authorises financial services; protects consumers with mortgages, credit, loans, savings and pensions. Provides information and advice to consumers and issues penalties for infringements ○ Financial Services Compensation Scheme (FSCS): pays compensation to consumers in the event of failure of an authorised financial institution

	<ul style="list-style-type: none"> ○ Financial Ombudsman Service (FOS): investigates consumer complaints against the business practices of financial institutions ○ Financial Reporting Council (FRC): regulates auditors, accountants and actuaries ○ Prudential Regulation Authority (PRA): supervisory role over banks, building societies, credit unions, insurers and investment companies to avoid failure ○ The Pensions Regulator (TPR) ensures that employers, trustees, pension specialists and business advisers can fulfil their duties to scheme members. ● 3.3.2 The role of professional bodies in the regulation and conduct of chartered accountants and the implications for their members: <ul style="list-style-type: none"> ○ The Association of Chartered Certified Accountants (ACCA); The Institute of Chartered Accountants in England and Wales (ICAEW); The Chartered Institute of Management Accountants (CIMA), Chartered Institute of Public Finance and Accountancy (CIPFA).
3.4	<p><i>The types of regulatory requirement that govern professional services and customer/client engagement</i></p> <ul style="list-style-type: none"> ● 3.4.1 Regulated versus and non-regulated products and services: <ul style="list-style-type: none"> ○ regulated products: limited range of investment business, regulated mortgage work and insurance distribution activity, credit-related regulated activities ○ non-regulated products: lifestyle financial planning, customer service ○ regulatory safeguards to protect the interests of users of accountancy services. ● 3.4.2 The difference between information and advice: information about accounting service is based on facts and does not provide an opinion; advice is a recommendation that is based on opinion and not on fact. ● 3.4.3 Protection for the consumer against mis-selling of financial products.
3.5	<p><i>An overview of current legislation relating to financial crime and money laundering</i></p> <ul style="list-style-type: none"> ● 3.5.1 Proceeds of Crime Act. ● 3.5.2 Criminal Finances Act. ● 3.5.3 The Money Laundering and Terrorist Financing (Amendment) Regulations. ● 3.5.4 The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations.

Element 4: Professionalism and ethics/equality, diversity and inclusion

4.1

Professional and ethical conduct which govern behaviour in accounting workplaces

- 4.1.1 The code of ethics accountants should consider:
 - compliance with the law
 - compliance with the requirements of the professional accountancy associations
 - acting with integrity
 - treating suppliers, customers, partners and employees fairly and with respect at all times
 - contributing to a healthy and safe workplace
 - respecting equality and diversity of the workforce
 - maintaining high standards in their finance department.
- 4.1.2 Expectations of professional conduct, behaviours and attitudes, their purpose and value in an accounting workplace:
 - respectful behaviour
 - ethical decision-making
 - personal agency
 - appropriate social interaction in different contexts
 - sanctions for misconduct: warnings, fines and other financial penalties, suspension.
- 4.1.3 Personal ethical behaviour in an accounting workplace: doing the right thing, acting as whistleblower, showing respect to all, treating everyone in an inclusive way, recognising success of others.
- 4.1.4 Professional conduct and responsibilities in accounting workplaces: understanding organisational structure, roles, relationship to others, accountabilities and interdependencies, professional conduct and reputation.
- 4.1.5 Professional code of conduct and its impact: the rules and regulations relating to employee behaviour.
- 4.1.6 Impact of the regulatory frameworks and standards on the codes of conduct for the individual and the organisation.
- 4.1.7 Client confidentiality and its importance:
 - rules of confidentiality and consistency in its interpretation
 - the need to prevent the unauthorised disclosure of privileged information acquired from clients
 - the obligation to protect the privacy and integrity of information from clients
 - the need to ensure that information from clients is not used inappropriately
 - duty of confidentiality versus duty of disclosure.

4.2	<p><i>Ethical dilemmas in accounting workplaces</i></p> <ul style="list-style-type: none"> ● 4.2.1 Ethical dilemmas in an accountancy context for the organisation and professionals: <ul style="list-style-type: none"> ○ reputational risk: the good name or reputation of a business is put at risk, because of the actions it does or does not take in relation to its activity ○ process risk: failure to comply with internal controls ○ people risk: failure to obtain information about new employees such as knowledge, experience and qualifications ○ systems risk: failure to back up the computer systems, failure to put controls into access of the computer system ○ legal risk: failure to comply with the obligations of a contract or not enforcing a contract, not enforcing compliance with regulations or changes in legislation ○ event risks: external to the company and can include physical event risks such as fire or flood, social event risks such as not paying a living wage, political event risks such as a new political act introducing additional compliance, and economic event risks such as rising interest rates on borrowing ○ risk of unethical behaviour: this can be reduced by ensuring a good code of ethics or code of conduct ○ individual employee risk: interpersonal relationships with co-workers may be impacted following a whistleblowing disclosure of unethical behaviour; the conflict between meeting challenging individual financial targets and selling practices.
4.3	<p><i>The importance of maintaining professional competence and professional scepticism in accounting</i></p> <ul style="list-style-type: none"> ● 4.3.1 Professional competencies and their importance: skills, knowledge, personal and technical attributes that are valued by the profession. ● 4.3.2 Ways to maintain professional competence including continuous professional development, gaining additional qualifications and updating skills. ● 4.3.3 Professional scepticism and its importance: <ul style="list-style-type: none"> ○ being alert to any possible misstatement of factual information due to error or fraud ○ the need for a questioning attitude and robust challenge where appropriate.
4.4	<p><i>Corporate responsibility and social purpose in accounting businesses</i></p> <ul style="list-style-type: none"> ● 4.4.1 The scope and purpose of environmental, social and governance (ESG) policies. ● 4.4.2 Corporate social responsibility (CSR) policies: <ul style="list-style-type: none"> ○ paying a fair wage ○ producing and adopting a modern slavery statement ○ ethical and fair trade

	<ul style="list-style-type: none"> ○ promoting sustainability: public interest, promoting an ethics-based culture, championing sustainability, promoting sustainable practices, raising awareness of social responsibility. ● 4.4.3 Advantages for an accounting business of acting responsibly: <ul style="list-style-type: none"> ○ improved public opinion, brand image and reputation, increased levels of trust, continuing customer loyalty, ability to apply premium pricing, enhanced staff motivation. ● 4.4.4 Implications for an accounting business of acting responsibly: <ul style="list-style-type: none"> ○ potential impacts on costs, profitability.
4.5	<p><i>The equality, diversity and inclusion requirements and their implementation in all areas of a business</i></p> <ul style="list-style-type: none"> ● 4.5.1 Equality, diversity and inclusion in the workplace: <ul style="list-style-type: none"> ○ employees and customers from a variety of backgrounds are actively welcomed and supported ○ compliance with equality, diversity and inclusion legislation, policies and codes of practice in attitudes, actions and behaviours ○ making reasonable adjustments to support any individual needs ○ supporting vulnerable clients ○ protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation ○ avoiding unconscious bias. ● 4.5.2 A general understanding of the current legislative areas: <ul style="list-style-type: none"> ○ Equality Act: <ul style="list-style-type: none"> – who is protected? – types of discrimination – actions to address discrimination ○ Human Rights Act: <ul style="list-style-type: none"> – who is protected? – who must comply? – actions to address human rights violations. ● 4.5.3 Professional responsibilities and their value relating to equality, access and inclusion: <ul style="list-style-type: none"> ○ fairness, respect and dignity ○ the value of cooperative practices and empathy ○ personal and collective responsibilities ○ personal needs and requirements and the needs and requirements of others ○ the general principles of good practice in equality, access and inclusion, and their value, as well as obligations.

Element 5: Security and risk	
5.1	<p><i>The legislation for and the importance of good data management</i></p> <ul style="list-style-type: none"> • 5.1.1 The advantages of good data management including speed of data transmission and access, business planning, monitoring key performance indicators, budget setting and monitoring and business decision-making. • 5.1.2 The importance of maintaining privacy and confidentiality of business, client and colleague information: <ul style="list-style-type: none"> ○ the difficulties that may arise if these conflict with a duty of disclosure including legal responsibilities of disclosure, relationship with clients and corporate image. • 5.1.3 Personal data governance and protection and its impact on data management. • 5.1.4 The implications for businesses of current data protection legislation and its impact on data management including data storage; access to data; timescales for maintaining data; lawful use of data; accuracy of data: <ul style="list-style-type: none"> ○ UK General Data Protection Regulation (UK GDPR) ○ Data Protection Act. • 5.1.5 Payment Services Directive 2 (PSD2): <ul style="list-style-type: none"> ○ safer payments with banks, building societies, e-money institutions; bringing account data into one place giving a global view, two-factor authentication ○ legal requirement of storing data, GDPR applied to insurance, banking and investment, storing sensitive health insurance data.
5.2	<p><i>The issues, challenges and impact of using IT systems for storing and transmitting information in digital form</i></p> <ul style="list-style-type: none"> • 5.2.1 Issues and challenges of storing data: <ul style="list-style-type: none"> ○ legal and regulatory requirements concerning the collection, storage and distribution of data ○ accidental and malicious threats to security of data: network threats, viruses and other malware, ransomware, hackers, phishing, accidental damage. • 5.2.2 Impact of cyber-attacks on the business: financial, legal, reputational. • 5.2.3 The purpose of cyber and data insurance and its importance.
5.3	<p><i>How processes and protocols are used to ensure internet security and to protect the access and transmission of data</i></p> <ul style="list-style-type: none"> • 5.3.1 Processes and protocols: <ul style="list-style-type: none"> ○ use of external servers ○ backup and recovery procedures ○ keeping protection software up to date ○ firewalls ○ file permissions ○ access levels

	<ul style="list-style-type: none"> ○ passwords ○ physical access control ○ digital certificates ○ encryption of files and emails ○ dealing with suspicious emails and attachments ○ avoiding the use of insecure internet connections. ● 5.3.2 The advantages and disadvantages of outsourcing data collection, data storage, management information and IT systems.
5.4	<p><i>The management of risk in a business</i></p> <ul style="list-style-type: none"> ● 5.4.1 Risk areas: legal, governance, reputation, compliance, financial crime including fraud, operational, conduct. ● 5.4.2 Risk reduction strategies: <ul style="list-style-type: none"> ○ ensure efficient processes ○ determine service failures ○ ensure adequate risk assessment is conducted across all processes ○ document and communicate processes ○ update processes regularly. ● 5.4.3 Risk management and using a risk matrix: identifying, analysing impact, evaluating and ranking, responding, monitoring and reviewing. ● 5.4.4 Risk management strategies: <ul style="list-style-type: none"> ○ avoidance: applying safeguards ○ transference: transfer the risk ○ mitigation: reduce the impact ○ acceptance: accept the risk. ● 5.4.5 Threats to compliance: <ul style="list-style-type: none"> ○ self-interest: financial or other interests may inappropriately influence the member's judgement or behaviour ○ self-review: the threat that a re-evaluation of actions will not be undertaken ○ advocacy: supporting the client's point of view publicly ○ familiarity: being sympathetic because of a close or familiar relationship with a client ○ intimidation: deterring someone from acting objectively by issuing threats (actual or perceived). ● 5.4.6. Fraud prevention strategy: <ul style="list-style-type: none"> ○ formulate a fraud risk operating model including a fraud prevention model with identified personnel responsible for monitoring its implementation ○ implementation processes and controls to detect, prevent and respond to fraud risks ○ ensure all employees are aware of the fraud prevention model and policy, fraud risks in operating practices and reporting procedures ○ make use of technology and analytics to capture and analyse potential fraudulent practices.

Element 6: Professional services

6.1

The role of third-party professionals and professional services

- 6.1.1 Professional services providers: independent specialist contractors that offer customised, knowledge-based services to clients.
- 6.1.2 Role of third-party professionals:
 - audit – reviewing the financial accounts of an organisation to ensure that they are valid and that they have been prepared in line with accounting regulation and frameworks
 - tax – advising businesses on how to complete tax returns and specialising in ensuring they are adhering to legislation and regulation
 - actuarial – calculating and assessing future financial risks and making predictions using models and statistics
 - insurance – including brokers who advise on the most appropriate individual and commercial insurance portfolios; claims analysts who advise on insurance claims; risk management specialists who advise businesses on their approach to the identification and management of business risks
 - lenders – engaged in the marketing of loans such as mortgages, gathering information on loan applications from individuals and businesses, underwriting loans or funding loans
 - corporate finance – dealing with sources of funding, the capital structure of corporations, examining the actions that managers take to ensure profitability and maximum value to shareholders, and the tools and analysis used to allocate financial resources.
- 6.1.3 Risks associated with engaging third parties including professional conduct and ethical behaviour, relevant experience, disclosure of sensitive information, costs, profitability, privacy, compliance, reputational and strategic risks.
- 6.1.4 Professional indemnity:
 - Professional Indemnity Insurance (PII), reasons for purchase and its limitations
 - insurance claims record and the impact of a poor claims record on PII premiums
 - requirements of professional indemnity insurers/providers.
- 6.1.5 Importance of Service Level Agreements (SLAs):
 - contractual obligations
 - working within the scope of engagement
 - clear standards of service/delivery requirements
 - customer service
 - internal SLAs in the provision of accounting services provided to departments and the management team (internal stakeholders) within the same organisation.

Element 7: Fundamentals of law

7.1

The principles and practice of business law and their application to accounting practices and professionals

- 7.1.1. The role of courts, tribunals and parliament in the law-making process.
- 7.1.2 The framework of business law and its purpose:
 - health and safety: published policy, health and safety officer, display screen equipment, employee training, risk assessments, regular fire drills
 - data protection: secure storage, confidentiality, rules regarding disclosure, access arrangements
 - consumer protection: rules relating to interest charges, hire purchase and credit purchase agreements
 - employment legislation: equal opportunities, national minimum wage and national living, wage contract of employment, pay, working hours, holiday entitlement, parental leave, discrimination, bullying and harassment
 - the features and purpose of copyright, patents, trademarks, design rights, intellectual property, and international quality and safety standards.
- 7.1.3 Contract law and its purpose:
 - express and implied contracts
 - elements of a contract: offer, acceptance, consideration, intention to be legally bound
 - express terms: conditions, warranties, innominate, individually agreed
 - implied terms: by the courts, by statute or regulation
 - exclusion clauses
 - discharging a contract.
- 7.1.4 Criminal law and its importance: an overview of the objectives of the legislation relating to terrorist funding, money laundering, criminal activities and bribery:
 - Financial Services Act
 - Payment Services Regulations
 - Consumer Rights Act
 - Proceeds of Crime Act
 - Money Laundering Regulations
 - The Terrorism Act.
- 7.1.5 The impact of law from international sources, how laws from other countries and trading blocs affect the sale and purchase of goods and services.

7.2	<p><i>The Companies Act 2006 and its purposes</i></p> <ul style="list-style-type: none"> • 7.2.1 Purpose of the Companies 2006 Act. • 7.2.2 Formation of a company: key elements of the Articles and Memorandum of Association. • 7.2.3 Company <u>directors' duties</u>: <ul style="list-style-type: none"> ◦ obligation to promote the success of the company, to consider the community and the environment, the interests of employees, and to be fair to shareholders ◦ penalties and other implications of non-compliance. • 7.2.4 Accounts and reports requirement to submit audited accounts to Companies House including a directors' report.
Element 8: Fundamentals of financial accounting 1	
8.1	<p><i>The types of financial data and their applicable calculations, origins and reliability and how they are presented</i></p> <ul style="list-style-type: none"> • 8.1.1 The importance of finance and the management of money in business. • 8.1.2 The difference between assets and liabilities; the difference between solvency and liquidity. • 8.1.3 Capital and revenue income/expenditure. • 8.1.4 The concept of liquidity and its importance: <ul style="list-style-type: none"> ◦ net current assets/liabilities: implications for a business of high/low liquidity levels ◦ the importance of liquidity (net current asset) management. • 8.1.5 The impact of straight line and reducing balance depreciation on the value of non-current assets and on the statement of financial position. • 8.1.6 Internal and external sources of finance available to businesses, their advantages and disadvantages: <ul style="list-style-type: none"> ◦ internal: retained profits, net current assets, sale of assets ◦ external: owner's capital, bank overdraft, hire purchase, leasing, trade credit, mortgages, shares, loans, debt factoring, grants, donations, invoice discounting, crowdfunding, venture capitalists and business angels. • 8.1.7 Basic accounting techniques and how they are applied: <ul style="list-style-type: none"> ◦ reasons for maintaining accurate financial records and the importance of financial audits ◦ the functions of bookkeeping and its contribution to the business ◦ fixed and flexible budgets, their features, application and their advantages and disadvantages ◦ budgetary controls and internal audit functions ◦ the use of cash flow forecasts and statements for planning, monitoring, control and target setting ◦ the difference between cash and profit and importance of cash flow ◦ range of accounting techniques: cash or accrual accounting.

	<ul style="list-style-type: none"> • 8.1.8 Elements within a set of financial accounts: <ul style="list-style-type: none"> ○ assets; liabilities; expenses; revenue; capital; equity, gross and net profit (profit for the year). • 8.1.9 Completion of an income statement and a statement of financial position including adjustments and closing inventory.
Element 9: Technology	
9.1	<p><i>The contribution of digital tools and software to promoting business efficiencies</i></p> <ul style="list-style-type: none"> • 9.1.1 Contemporary digital tools and software and their impact: <ul style="list-style-type: none"> ○ electronic transfer and filing of documentation including electronic tax returns ○ digital document/management systems, procedure and compliance ○ Management Information Systems (MIS) including electronic storage of business data, analysis of business data as part of the planning process including identification and monitoring of business risks ○ automated case management including processing service requests from existing and potential customers ○ supplier onboarding including creating streamlined processes to build stronger buyer-supplier relationships that result in improved business outcomes for both parties ○ digital firms: do not have traditional bricks-and-mortar offices, operating instead from the homes or satellite offices of professionals, usually delivering services to clients at a distance using technological means of communication, emails, social media, videoconferencing. • 9.1.2 Financial technology (Fintech): <ul style="list-style-type: none"> ○ the purpose and characteristics of Fintech and its use of artificial intelligence (AI) ○ the users of Fintech: B2B for banks, B2C for small businesses, consumers. • 9.1.3 The implications for accounting service providers of service delivery and costs arising from digital transformation: <ul style="list-style-type: none"> ○ service delivery: <ul style="list-style-type: none"> – transactional and chat bots, digital assistants, robo-advisers – financial loyalty apps – payment gateways for merchant sites – mobile wallets – digital banks – quickly selling bank transactions and stock transfers ○ impacts: <ul style="list-style-type: none"> – enhanced customer service to meet customer expectations – contract analysis – client risk profiling and risk assessment – online dispute resolution – cloud banking and real-time customer data analytics – predictive analytics

	<ul style="list-style-type: none"> – block chain, speedy credit scoring and improved lending security. ○ potential costs: <ul style="list-style-type: none"> – hardware – software – staff training – specialist in-house personal teams – depreciation costs – replacement costs – ongoing system upgrading – system security costs.
9.2	<p><i>The impact of technology on financial processes and systems, process automation and organisational roles</i></p> <ul style="list-style-type: none"> ● 9.2.1 Financial processes and systems, their impact and implications: <ul style="list-style-type: none"> ○ automation of accounts payable and receivable processing, supplier onboarding, procurement and audits ○ automation of process: use of commercial accounting software, Robotic Processes Automation (RPA), sensors/tools to enable process automation and reduce human labour required to process financial transactions ○ analysis of data: using Big Data to compile information from the accounts into control accounts automation of filling financial statements to Company House and filing taxes such as mandatory payroll deductions and VAT to HMRC. ● 9.2.2 The impact of process automation and digital transformation on: <ul style="list-style-type: none"> ○ job roles, capabilities and skill requirements. working practices, labour costs and productivity ○ consumer reach, quality of service delivery, customer expectations, feedback and satisfaction ○ financial performance in relation to investment costs and profitability ○ the growth of online services and reduced high street presence ○ the use of cloud computing and cloud storage. ● 9.2.3 The advantages and disadvantages of digital investment and funding opportunities including peer to peer (P2P) lending and crowdfunding. ● 9.2.4 Digital and emerging technology in a finance context: <ul style="list-style-type: none"> ○ Electronic Funds Transfer (EFT): between bank accounts, AI and conversational banking and anti-fraud risk ○ digital transformation: AI to predict share prices and cloud computing for sophisticated investment data analytic ○ impact of digital transformation: integration of technology into all areas of banking, insurance and investment, consumer facing financial services meeting customer expectations ○ Business Process Management (BPM): processes used by bank users, banking software, the insurance customer journey and managing claims, aligning middle office (risk management) with back office (settlements) in investment banking.

	<ul style="list-style-type: none"> ● 9.2.5 Automation of processes: <ul style="list-style-type: none"> ○ intelligent automation machine learning for stock market analysis, algorithm-driven investment services ○ robotics and sensors: Robotic Processes Automation (RPA), conversational AI, digital insurance agents, banking chatbots, robo-investment advisers.
Element 10: Data driven innovation/analytics and design thinking	
10.1	<p><i>Data architecture and data governance</i></p> <ul style="list-style-type: none"> ● 10.1.1 Principles of data architecture: the set of rules that surround data collection, input, access and movement: <ul style="list-style-type: none"> ○ allow for the efficient flow of data across the functional areas within financial organisations ○ establish security systems to protect sensitive and confidential data from internal and external threats ○ establish protocols for operational practices relating to data collection, input, access and movement ○ ensure rules regarding data collection, input and access are communicated across the business ○ set clear goals to meet the requirements of the end users including decision-makers ○ ensure the validity of the data: map costs against benefits: maintain up-to-date data sets. ● 10.1.2 Developments in reporting: <ul style="list-style-type: none"> ○ the history of reporting and the influence of data driven innovation on the volume and value of management information provided to decision-makers; the use of data visualisation techniques to aid decision making including charts, diagrams, maps and dashboards ○ the different types of analytics: descriptive, diagnostic, predictive and prescriptive tools used to analyse data and their advantages and disadvantages: quantitative analysis through surveys and modelling; qualitative analysis through interviews and observations): <ul style="list-style-type: none"> – surveys: questionnaires; internet surveys; customer feedback scores for online purchases – observations: study of individual/group behaviour – modelling: methods of sampling; probability; correlation; measures of central tendency; forecasting and extrapolation (NOTE: calculations will not be required) – interviews: individual; focus groups; telephone interviews; online interviews ○ Contribution of data analysis to business decision making: <ul style="list-style-type: none"> – identifying relationships between variables – determining trends – forecasting outcomes – evaluating risks.

	<ul style="list-style-type: none"> • 10.1.3 The key requirements of a data governance framework: rules, policies, standards and models to govern and define the type of data collected and how it is used, stored, managed and integrated within an organisation and its database systems.
10.2	<p><i>Use of Big Data and digital management tools</i></p> <ul style="list-style-type: none"> • 10.2.1 Management Information (MI) and its importance for measuring performance, analysing trends, and in the decision-making process: <ul style="list-style-type: none"> ○ the influence of developments and improvements in technology over time on the efficiency and effectiveness in reporting systems to ensure that the operating and financial data used by decision-makers in a business is accurate, relevant and up to date. • 10.2.2 Customer Relationship Management (CRM) and its importance. • 10.2.3 Big Data characteristics: <ul style="list-style-type: none"> ○ volume: the explosion in global payments fueled by ecommerce and mobile payments ○ variety: Big Data makes sense of unstructured data from a variety of sources in banking from transactions details to credit scores ○ velocity: incoming Big Data at high speed, extraction of insights into financial behaviour ○ veracity: the challenge of receiving accurate information from Big Data, attempting to manage the financial risk of a customer ○ structured and unstructured financial data sets. • 10.2.4 Big Data: <ul style="list-style-type: none"> ○ its application in customer engagement analytics and CRM ○ advantages, challenges and limitations for an organisation of using Big Data in relation to business strategy, productivity and innovation.
10.3	<p><i>Principles of data analytics and its use to support decision making in the accounting professions</i></p> <ul style="list-style-type: none"> • 10.3.1 Methods/tools used to analyse finance and accounting data: <ul style="list-style-type: none"> ○ horizontal and vertical analysis of data ○ trend percentages ○ ratio analysis ○ benchmarking. • 10.3.2 Visualisation tools for presenting and reporting on data: <ul style="list-style-type: none"> ○ bar charts, histograms, pie charts and scatter graphs ○ the identification of positive and negative correlation between two variables ○ Google Charts, Tableau, Infogram, Datawrapper, real-time dashboards for investment portfolios, comparing year on year lending practices, annual reports. • 10.3.3 Different types of analytics to enhance the quality of business decisions: <ul style="list-style-type: none"> ○ predictive analytics: interpolation, extrapolation, forecasting; trend analysis

	<ul style="list-style-type: none"> ○ risk identification and evaluation ○ identifying patterns between variables and the influence of outliers. ● 10.3.4 Business Intelligence (BI) software and its impact on retrieving, analysing, transforming and reporting data for business intelligence. ● 10.3.5 Advantages and disadvantages/risks of outsourcing data analytics.
10.4	<p><i>Design thinking and its use as a tool to address challenges in the finance industry</i></p> <ul style="list-style-type: none"> ● 10.4.1 Design thinking ethos: understanding customer needs and putting these needs at the heart of every project, creating space and platforms where project teams and end users naturally interact. ● 10.4.2 Alternative investment opportunities: <ul style="list-style-type: none"> ○ crowdfunding: investing in small fast-growing businesses for equity, rewards or recognition ○ peer-to-peer lending: lending to businesses or individuals with interest and repayment ○ angel investor: individual backing for entrepreneurs in exchange for company equity.
Element 11: Research skills	
11.1	<p><i>The stages and skills involved in producing a project</i></p> <ul style="list-style-type: none"> ● 11.1.1 The stages involved: <ul style="list-style-type: none"> ○ identify and plan the research ○ undertake research ○ interpret evidence ○ draw conclusions ○ present findings. ● 11.1.2 Skills required: <ul style="list-style-type: none"> ○ ability to work independently ○ time-management ○ set SMART objectives ○ ability to distinguish between facts, speculation and subjective opinion ○ ability to extract relevant information from a diverse range of research sources ○ ability to present a logically consistent argument and justify conclusions and recommendations ○ presentational skills ○ communication skills.
11.2	<p><i>Produce research plans in accounting contexts</i></p> <ul style="list-style-type: none"> ● 11.2.1 Purpose and context of research: <ul style="list-style-type: none"> ○ changes to law and regulations, changes to standards, new technology, trends in data and anomalies. ● 11.2.2 Planning research: aims, planned outcomes, task dates/milestones, review dates, monitoring.

11.3	<p><i>The different sources used to collect research, and how this information is analysed</i></p> <ul style="list-style-type: none"> • 11.3.1 Advantages and disadvantages of research using different sources: <ul style="list-style-type: none"> ○ primary research: information gathered first-hand directly at the source: questionnaires, surveys, polls and interviews (face-to-face, online, telephone and postal), direct observation and visits, focus groups and digital communities ○ secondary research: summary, collation and/or synthesis of existing research: media sources, government reports and official statistics, company accounts and annual reports, industry, sector and market reports, trade associations and professional bodies, university research, data companies ○ qualitative research: provides a measure of how people feel, what they think and why they make certain choices through using interviews and observations ○ quantitative research: provides a measure of what people think using statistical and numerical data through surveys and modelling. • 11.3.2 Ethics: the moral principles that govern how researchers should carry out their work. • 11.3.3 Reliability and validity of information sources: fact versus opinion, objectivity versus bias/subjectivity, relevance, currency and sufficiency of information. • 11.3.4 Analysis of research: comparisons, trends and anomalies.
11.4	<p><i>Presentation of research results accounting contexts</i></p> <ul style="list-style-type: none"> • 11.4.1 Method: written, verbal, formal, informal. • 11.4.2 Medium: report, online, presentation, use of handouts and summary sheets. • 11.4.3 Appropriate use of information: data analysis, paraphrasing and summarising, making convincing arguments, developing evaluative conclusions. • 11.4.4 Appropriate presentation of data using diagrammatic and tabular formats. • 11.4.5 Avoiding plagiarism. • 11.4.6 Compilation of bibliographies, citing and referencing in an appropriate format. • 11.4.7 Feedback: suggestions and recommendations. • 11.4.8 Awareness of audience type: <ul style="list-style-type: none"> ○ technical, non-technical, clients, colleagues, stakeholders and hierarchy. • 11.4.9 Presenting to an audience, preparation, tone of voice, speed of delivery, knowing the audience, use of speaker notes.

Element 12: Project/change management and administration	
12.1	<p><i>The features of project management approaches in accounting contexts</i></p> <ul style="list-style-type: none"> • 12.1.1 Formulating a business case: identifying the problem, options, advantages, timescales, costs, return on investment (ROI) and risks of the project. • 12.1.2 The project management triangle and its implications: scope, cost and time and how changes in these factors impact on quality. • 12.1.3 Project life cycle: <ul style="list-style-type: none"> ○ initiation: set out scope, purpose, and SMART objectives of project ○ planning: create a project plan that includes resources, contingencies, finance, quality, key performance indicators (KPIs), communication and evaluation mechanisms ○ execution: implement project plan, create tasks, organise workflows, brief team members ○ closure: complete paperwork, release resources and report to key stakeholders ○ evaluate: identify how far the project met objectives and expectations and identify how to improve future projects by supporting evidence and research. • 12.1.4 Project management tools and how they are used: Gantt charts, networking and critical path analysis. • 12.1.5 Methods of communication to meet the needs and interests of different stakeholder groups: project team, other employees, customers/users, suppliers, investors, community, government agencies.
12.2	<p><i>The structure and responsibilities within a project team</i></p> <ul style="list-style-type: none"> • 12.2.1 Project team roles: <ul style="list-style-type: none"> ○ project manager ○ project team member ○ project sponsor. • 12.2.2 Responsibilities within projects: <ul style="list-style-type: none"> ○ evaluating finance options in line with organisational context ○ budget-setting and monitoring, budgetary responsibilities and reporting systems, variance analysis ○ establishing procurement systems and processes ○ tendering ○ writing reports for project managers and relevant stakeholders ○ evaluating project risks ○ risk management.
12.3	<p><i>The drivers of change in an accounting context</i></p> <ul style="list-style-type: none"> • 12.3.1 The business case for change including response to changing market conditions; need to reduce costs; response to government policies and regulations; upskilling the workforce; technological developments; response to stakeholder feedback/demands; product and service innovation.

	<ul style="list-style-type: none"> ● 12.3.2 How changes in internal and external business environments can influence business objectives and organisational change in accountancy business organisations: <ul style="list-style-type: none"> ○ political: budget and tax changes, changes to accounting standards, political volatility in foreign and domestic markets, sustainability of debt; regulations including Financial Conduct Authority (FCA), strengthening of regulatory frameworks ○ ethical: financial conduct, ethical objectives, risk management, accountability, ethical investing, ethical financial advice, professional behaviour, professional competence and due care, honesty, integrity, confidentiality and transparency ○ social/demographic: ageing workforce, financial exclusion, fairer employment practices, social investment and values ○ technological: digitalisation of accounting technology; data mining and predictive analytics; cloud computing ○ legal/regulatory: financial failures, market transparency, Financial Conduct Authority (FCA), regulator, governance frameworks; financial reporting regulations (GAAP; IAS) ○ environmental: climate change events and financial losses, demand for green financial products, risk management, impact of government environmental policies, climate-related financial disclosure, 3Ps in sustainability: People/Profit/Planet; Corporate Social Responsibility (CSR). ● 12.3.3 Measuring business performance: <ul style="list-style-type: none"> ○ financial: cash flow, calculation and analysis of profitability ratios and liquidity ratios ○ customer and staff retention ○ benchmarking ○ key performance indicators (KPIs) ○ SWOT analysis, internal and external factors. ● 12.3.4 How the outcome of measuring business performance can influence business strategy, operational plans and business tactics. ● 12.3.5 The contribution of SMART (specific, measurable, achievable, realistic, time bound) target setting in a business context. ● 12.3.6 The barriers to organisational change and how they might be addressed including: <ul style="list-style-type: none"> ○ workforce resistance ○ lack of management skills ○ lack of finance ○ leadership inertia. ● 12.3.7 How to support and improve projects through research, evidence and evaluation methods.
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12.4	<p><i>The principles of managing change in an accounting context</i></p> <ul style="list-style-type: none"> ● 12.4.1 Need for change – internal factors: <ul style="list-style-type: none"> ○ technology changes ○ consumer habits ○ cash flow management ○ poor leadership and management ○ demand for skills ○ growth or decline of the business. ● 12.4.2 Need for change –external factors: <ul style="list-style-type: none"> ○ interest rate changes ○ competition and demand ○ action from pressure groups ○ availability of raw materials ○ changes in legislation ○ changes in lifestyle ○ technology. ● 12.4.3 Consequences of not implementing change. ● 12.4.4 Effective leadership of change. ● 12.4.5 Barriers to change.
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Specialist Core Knowledge and Understanding across the Accounting Pathway

Element 13: Fundamentals of financial accounting 2	
13.1	<p><i>The needs of different users of the main financial statements and the role of ISA1 in supporting these needs</i></p> <ul style="list-style-type: none"> • 13.1.1 The needs of different users of financial information: <ul style="list-style-type: none"> ○ internal: employees, managers, owners/shareholder ○ external: customers, suppliers, government, banks/other lenders, potential investors, local community. • 13.1.2 The role of the main financial statements in meeting the needs of different business functions: <ul style="list-style-type: none"> ○ finance: costs, revenue, retained and distributed profits, performance monitoring, future budgeting parameters ○ marketing: sales revenue, profitability, sales targets ○ human resources: workforce costs ○ planning: profitability, performance trends over time, forecasting. • 13.1.3 The role of the main financial statements in meeting the needs of external stakeholders: <ul style="list-style-type: none"> ○ income statement ○ statement of financial position ○ statement of cash flows ○ statement of changes in equity. • 13.1.4 The role of IAS1, presentation of financial statements, in meeting the needs of internal and external stakeholders: <ul style="list-style-type: none"> ○ investors ○ lenders ○ other interested parties.
13.2	<p><i>The differences between financial accounting, financial management and management accounting</i></p> <ul style="list-style-type: none"> • 13.2.1 Differences between financial accounting and management accounting in relation to: <ul style="list-style-type: none"> ○ nature of reports produced ○ level of detail ○ time orientation ○ reporting interval ○ time orientation ○ role in decision making and planning ○ the use of information by internal and external stakeholders.

	<ul style="list-style-type: none"> • 13.2.2 Financial management: <ul style="list-style-type: none"> ○ contribution to business decision making, risk management and assessing business performance: <ul style="list-style-type: none"> – stewardship of the organisation's assets – resource utilisation, managing its liquidity, treasury management, historical financial information for external users. • 13.2.3 Management accounting: <ul style="list-style-type: none"> ○ contribution to business decision making, risk management and business performance: <ul style="list-style-type: none"> – Budget-setting and the features, advantages and disadvantages of different types of budget: increment budget setting, zero-based budgeting, flexible budgeting – budget-monitoring: variance analysis; causes and implications of favourable and adverse balances ○ break-even analysis: features of a break-even chart; analysis of a break-even chart; break-even point; margin of safety (NOTE: the construction of a break-even chart will not be required) ○ investment appraisal: purpose ○ calculations involving reducing balance depreciation and straight-line depreciation ○ forecasting: cash; sales and profit. • 13.2.4 Why the internal accounts may vary from the externally published accounts, for example the level of detail shown.
13.3	<p><i>The application of the conceptual framework in financial accounting</i></p> <ul style="list-style-type: none"> • 13.3.1 The accounting elements under the conceptual framework: <ul style="list-style-type: none"> ○ an asset, a liability, equity, income and expenses. • 13.3.2 The importance of accounting concepts and conventions when preparing financial information, including: <ul style="list-style-type: none"> ○ money measurement ○ duality ○ cost ○ going concern ○ accruals ○ consistency ○ prudence ○ materiality ○ realisation ○ business entity. • 13.3.3 The qualitative characteristics of financial information as defined by the conceptual framework including: <ul style="list-style-type: none"> ○ understandability ○ relevance ○ reliability ○ comparability.

13.4	<p><i>An understanding of the double entry principles and the accounting equation</i></p> <ul style="list-style-type: none"> • 13.4.1 The principles of double entry bookkeeping: <ul style="list-style-type: none"> ○ T-accounts and debit and credit entries ○ the rules of double entry ○ the recording of entries for debits and credits. • 13.4.2 The accounting equation: <ul style="list-style-type: none"> ○ $\text{assets} = \text{liabilities} + \text{capital (equity)}$ ○ manipulation of the accounting equation to take account of changes in assets, liabilities and capital. • 13.4.3 The trial balance: <ul style="list-style-type: none"> ○ purpose ○ steps involved in balancing off a ledger account ○ use of the extended trial balance in the production of income statements and statement of financial position. • 13.4.4 Income statement: <ul style="list-style-type: none"> ○ layout ○ gross and net profit/profit for the year ○ analysis and interpretation to assess performance and inform business decisions. • 13.4.5 Statement of financial position: <ul style="list-style-type: none"> ○ layout ○ assets (non-current and current assets), liabilities (current and non-current liabilities) and capital ○ net current assets (working capital) ○ analysis and interpretation to assess performance and inform business decisions.
13.5	<p><i>The purpose and aims of the International Accounting Standards Board (IASB)</i></p> <ul style="list-style-type: none"> • 13.5.1 The purpose of International Financial Reporting Standards (IFRS): <ul style="list-style-type: none"> ○ transparency: enables investors to make informed decisions ○ accountability: holds businesses to account ○ efficiency: helps investors to identify risks and opportunities on a global scale. • 13.5.2 The role of the International Accounting Standards Board (IASB): the independent standard-setting body for accounting practices: <ul style="list-style-type: none"> ○ accounting standards are set via consultation with accounting professionals and their professional associations. • 13.5.3 The purpose and implications of key International Accounting Standards applied to public limited companies: <ul style="list-style-type: none"> ○ IAS1: Presentation of Financial Statements ○ IAS2: Inventories ○ IAS3: Accounting policies, changes in accounting estimates and errors ○ IAS10: Events after reporting period

	<ul style="list-style-type: none"> ○ IAS16: Property, plant and equipment ○ IAS37: Provisions, contingent liabilities and contingent assets ○ IAS38: Intangible assets. ● 13.5.4 The key differences between international and UK accounting standards.
13.6	<p><i>The purpose and aims of the Pensions Administration Standards Association (PASA) and the purpose of pension standards</i></p> <ul style="list-style-type: none"> ● 13.6.1 The role of the Pensions Administration Standards Association (PASA). ● 13.6.2 The purpose and aims of key pensions standards. ● 13.6.3 The rationale and general principles of the main pensions standards: <ul style="list-style-type: none"> ○ agreements ○ reporting ○ operational procedures ○ change control ○ controls assurance ○ data standards ○ staff development.
13.7	<p><i>The importance of professional judgement in accounting and payroll</i></p> <ul style="list-style-type: none"> ● 13.7.1 The purpose of accounting policies applied in business: <ul style="list-style-type: none"> ○ the specific principles, bases, conventions, rules and practices applied by a business in relation to the preparation of its financial statements ○ management discretion when formulating accounting policies, valuation of fixed assets, depreciation and inventory policies, treatment of leases, valuation of investments ○ implications of accounting policies for financial reporting, need for consistency of accounting practices to ensure year-on-year comparisons of financial performance are valid and reliable; meet external audit requirements. ● 13.7.2 The use of estimates in accounting transactions and professional judgements, provisions for environmental damage, doubtful debts and the impact of legal action.
13.8	<p><i>How professional ethics are applied by accounting professionals</i></p> <ul style="list-style-type: none"> ● 13.8.1 Professional ethics: <ul style="list-style-type: none"> ○ integrity ○ objectivity ○ professional competence and due care ○ confidentiality ○ professional behaviour. ● 13.8.2 The application of professional ethics: <ul style="list-style-type: none"> ○ compliance ○ regulatory and legal standards and their application

	<ul style="list-style-type: none"> ○ identification and reporting of suspected or confirmed fraud and its impact ○ reporting. ● 13.8.3 Areas that are most prone to fraud, payments processing, procurements including tenders.
13.9	<p><i>How professional scepticism may influence the judgements and decisions made by auditors</i></p> <ul style="list-style-type: none"> ● 13.9.1 The nature of professional scepticism: <ul style="list-style-type: none"> ○ being alert to any possible misstatement of factual information due to error or fraud ○ maintain a questioning mind ○ remain professionally sceptical of information and explanations provided by clients ○ remain alert to the principal fraud risks and continue to assess the incentives, pressures, and opportunities to commit fraud ○ being available to critically evaluate the auditing process and subsequent evidence provided as part of the auditing process. ● 13.9.2 Internal and external (financial) auditors: <ul style="list-style-type: none"> ○ purpose and features of professional role and the concept of professional independence (a key feature) and professional scepticism when conducting audits in high-risk areas when reviewing audit evidence presented by the client including: ○ the systems and processes used for recording financial transactions ○ budget monitoring systems ○ procurement processes ○ reporting of income, costs and profits ○ misstatement and fraud prevention ○ reporting outcomes to clients. ● 13.9.3 The contribution of internal and external auditors to improving business systems and processes.

Scheme of Assessment – Core Component

There are three assessments in the Core Component of the *T Level Technical Qualification in Accounting*:

1. Examination Paper 1
2. Examination Paper 2
3. Employer Set Project.

The mapping, timings and scheduling and preparation for the assessments shown below are for the current specimen assessment material; the assessment will have the same overarching number of tasks and overall focus but the order of tasks and the detail within the task may change each series.

Core examinations

Paper 1:
Written examination: 2.5 hours 33.33% of the core assessments 90 marks
Content overview Content area 1 – The business environment Content area 2 – Careers Content area 6 – Professional services Content area 8 – Fundamentals of financial accounting 1 Content area 9 – Technology Content area 10 – Data driven innovation Content area 11 – Research skills Content area 12 – Project/change management
Assessment overview <ul style="list-style-type: none">• An externally assessed written examination comprising two sections.• Students answer all questions in Section A and Section B.• The examination will include short, medium, and extended open-response questions.• The examination will be set and marked by Pearson.

Paper 2:

Written examination: 2.5 hours

33.33% of the core assessments

90 marks

Content overview

Content area 3 – Regulation

Content area 4 – Professionalism and ethics/equality, diversity, and inclusion

Content area 5 – Security and risks

Content area 7 – Fundamentals of law

Content area 13 – Fundamentals of financial accounting 2

Assessment overview

- An externally assessed written examination comprising two sections.
- Students answer all questions in Section A and Section B.
- The examination will include short, medium, and extended open-response questions, as well as labelling questions.
- The examination will be set and marked by Pearson.

Both examinations will follow the same paper structure, but they will assess different core content, and will be available as paper-based examinations. There are two sections in each paper:

- Section A is weighted 40%
- Section B is weighted 60%.

Core examination Assessment Objectives

Assessment Objective			Paper 1 Marks	Paper 1 %	Paper 2 Marks	Paper 2 %
AO1	1a	Knowledge	7	7.8%	8	8.8%
	1b	Understanding	14	15.6%	16	17.8%
AO2		Application	39	43.3%	36	40%
AO3	3a	Analyse	18	20%	18	20%
AO3	3b	Evaluate	12	13.3%	12	13.4%

Employer Set Project

Employer Set Project
Externally assessed project: 12 hours 30 minutes 33.33% of the core assessments 90 marks
Content overview When responding to the project, students will need to draw on naturally occurring synopticity from the common core content and the specialist pathway content.
Assessment overview Students will be given an overarching scenario to set the scene and individual tasks stimulus to cover all the skills and AOs. These are: Task 1: complete calculations and produce a situational analysis using primary sources Task 2: plan collaboratively, work independently using secondary sources to create summaries and deliver a presentation Task 3: produce a report and review financial documents Task 4: produce a report for internal stakeholders Task 5: review how well you have performed. <ul style="list-style-type: none">• Students will undertake the assessed elements of the project tasks under supervised and controlled conditions.• The assessment will take place over multiple sessions up to a combined duration of 12 hours and 30 minutes.• The project outcomes will consist of a portfolio of evidence submitted electronically.• Students will undertake a project in response to a realistic contextual challenge.• The project will be set and marked by Pearson.

Employer Set Project Assessment Objectives

The Assessment Objectives for the Employer Set Project are as follows:

Assessment Objective	
A01	Plan their approach to meeting the brief
A02	Apply core knowledge and skills as appropriate
A03	Select relevant techniques and resources to meet the brief
A04	Use maths, English, and digital skills as appropriate
A05	Realise a project outcome and review how well the outcome meets the brief

Resources for the delivery of the Core Component content

The following resources will be required for the delivery of the Core Component for this Technical Qualification:

- access to an accountancy software package (we will provide a list of supported applications on our website).

Providers would benefit from a good IT suite with access to Office Software and the internet and for students to have regular access to this.

Teachers should have qualifications and/or experience in the business and accounting sector. Teaching will need to be shared across a curriculum team which together will have the experience and knowledge that spans the breadth of the qualification content and has some experience of teaching to external assessments.

4. Occupational Specialist content – Assistant Accountant

Detailed Content

Please refer to *Appendix 1: Glossary of International Accounting Standards terminology*. This appendix summarises the comparison between the International Accounting Standards (IAS) terminology and the UK GAAP (Generally Accepted Accounting Practice in the UK) terminology. These terms are generally used throughout the content.

Performance Outcome 1: Produce and analyse a trial balance

What skills do students need to demonstrate? <ul style="list-style-type: none"> • Process and analyse information and data effectively and securely, using relevant digital tools to create financial documents (D3) • Judge whether a calculated answer falls within the expected range of solutions by estimation (M2)
S1.1 Produce an initial and revised trial balance, applying the principles and concepts of double entry bookkeeping for recording and processing financial data to feed into the preparation of the primary financial statement, for review.
S1.1.1 Apply key accounting principles to produce a trial balance.
S1.1.2 Apply double entry principles and application.

What underpinning knowledge do students need?		English, maths and digital skills
K1.1	Key accounting elements and double entry principles	
K1.1.1	Understand assets: non-current (tangible and intangible) and current <ul style="list-style-type: none"> • Current assets including inventory, receivables, prepayments and bank and cash • Tangible non-current assets including land and buildings, plant and machinery, fixtures and fittings and motor vehicles • Intangible non-current assets including investments and goodwill 	
K1.1.2	Understand liabilities: non-current and current <ul style="list-style-type: none"> • Current liabilities including trade payables, tax liabilities (VAT and PAYE), bank overdraft, accruals and short-term loans • Non-current liabilities including long- term loans 	

K1.1.3	<p>Understand Income (revenue)</p> <ul style="list-style-type: none"> • Income from trading activities • Other recorded income (interest received, rental income, profit on disposal of non-current assets) 	
K1.1.4	<p>Understand expenses (costs)</p> <ul style="list-style-type: none"> • Cost of sales/cost of goods sold • Other costs or expenses 	
K1.1.5	<p>Understand equity (including types of reserves) and capital</p> <ul style="list-style-type: none"> • For a sole trader or partnership, the capital and drawings account • For a company, the share capital, share premium account, retained earnings, revaluation reserve 	
K1.1.6	<p>Understand key concepts including:</p> <ul style="list-style-type: none"> • Accruals (matching) • Business entity • Consistency • Going concern • Materiality • Prudence • Realisation 	
K1.1.7	<p>Understand the money measurement concept: how all transactions can be measured in monetary units and how these can be agreed</p> <ul style="list-style-type: none"> • A business can only record an accounting transaction if it can be expressed in terms of money • Elements of the financial statements (assets, liabilities, income, expense) can only be recorded if reliable • Any material events which cannot be measured in this way should be disclosed in supplementary notes for users 	
K1.1.8	<p>Understand business entity concept</p> <ul style="list-style-type: none"> • The business is treated as a separate entity to the non-business activities of its owner (separate entity principle) • The difference between a company, sole trader and partnership 	
K1.1.9	<p>Understand the accounting equation</p> <ul style="list-style-type: none"> • Definitions: <ul style="list-style-type: none"> ○ assets – non-current (tangible and intangible) and current ○ liabilities – non-current and current ○ equity (capital and reserves) ○ income (revenue) ○ expenses (costs) ○ drawings 	M2

	<ul style="list-style-type: none"> An increase in an asset, expense and drawings is a debit and an increase in liabilities, income and equity is a credit Assets – Liabilities = Equity 	
K1.1.10	<p>Understand recording of transactions and the process: that there are two elements to every transaction (an item is exchanged for a form of settlement)</p> <ul style="list-style-type: none"> The dual effect of transactions – every entry has an equal and opposite entry The total of the debit transactions must always equal the total of the credit transactions Recognising where the amounts should be posted from the day books and whether they are a debit or a credit Recognising that debits and credits must equal when posting to the general ledger 	M2 D3

What skills do students need to demonstrate?

- Judge whether a calculated answer falls within the expected range of solutions by estimation (M2)
- Find data and scrutinise it for its relevance to the intended use in financial documents (M5)
- Be able to understand how the way in which data is processed affects its validity in different situations and apply judgement within specific financial documents as to its appropriate use (M6)
- Organise ideas and information logically following standard accounting conventions (E1, E2)

S1.2 Use the ledger system and the books of prime entry

S1.2.1 Update and balance ledger accounts, following the standard process.

What underpinning knowledge do students need?		English, maths and digital skills
K1.2.	The ledger system and books of prime entry	
K1.2.1	<p>Understand the purpose of an invoice, credit note, remittance advice, statement of account, petty cash voucher and how they are entered into the books of prime entry</p> <p>Understand the role of and how to transfer data from the books of prime entry to update the ledgers</p> <ul style="list-style-type: none"> Trade payables ledger/purchase ledger (including purchase and purchase returns day books, discount allowed day book) Trade receivables ledger/sales ledger (including sales and sales returns daybooks, discount received day book) Nominal ledger (general ledger accounts) Cashbook Petty cash book The Journal 	M5 M6 E1 E2

	<p>Understand how information should be presented</p> <ul style="list-style-type: none"> • Appropriate format • Structure <p>Following workplace requirements for checking for quality</p>	
K1.2.2	<p>Understand how to prepare the ledger accounts at the end of a reporting period including being able to total and balance the ledger accounts and show a balance carried down and brought down on either the debit or credit side</p> <p>Understand how information should be presented</p> <ul style="list-style-type: none"> • Appropriate format • Structure • Following workplace requirements for checking for quality 	M2 E1 E2
K1.2.3	<p>Understand the purpose and use of different types of control accounts</p> <ul style="list-style-type: none"> • Trade receivables ledger control account/sales ledger control account • Trade payables ledger control account/purchase ledger control accounts • VAT control account • The subsidiary ledgers (trade receivables/trade payables (sales and purchase ledger) and the relationship with the trade receivables (sales ledger) control account and trade payables (purchase ledger) control account 	M5 M6

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Draft financial documents for using precise terminology and agreed formats (E3)
- Understand the difference between precision, reliability and accuracy of measurements in financial documents (M1)
- Judge whether a calculated answer falls within the expected range of solutions by estimation (M2)
- Find data in financial documents and scrutinise it for its relevance to the intended use (M4)

S1.3 Post corrections using double entry and journals

S1.3.1 Analyse the initial trial balance for completeness and accuracy and correct errors identified, to produce a revised trial balance.

S1.3.2 Create journals to correct other errors including:

- error of omission
- error of commission
- error of principle
- error of original entry
- compensating errors
- reversal of entries.

What underpinning knowledge do students need?		English, maths and digital skills
K1.3	Control procedures and the correction of errors, including the posting of corrections using double entry journals and the use of control accounts	
K1.3.1	Understand the role of journals using double entry bookkeeping to make adjustments to the accounts.	
K1.3.2	<p>Understand the format and content of the trial balance</p> <ul style="list-style-type: none"> • The format of a trial balance is understood. The trial balance will have two columns being the debit and credit. The aim is for both columns to agree • The content of a trial balance – the trial balance is drawn up using the closing account balances for all the nominal ledger accounts for an entity on the last day of the accounting period to which it relates and how to: <ul style="list-style-type: none"> ○ extract an initial trial balance with a debit column and credit column ○ transfer general ledger balances into the trial balance and total both columns ○ recognise that both the debit and credit column should agree 	E1 E2 E3 M4
K1.3.3	<p>Understand the types of error that trial balances will not expose and how to correct them using journals</p> <ul style="list-style-type: none"> • Errors of commission • Errors of omission • Errors of original entry • Errors of principle • Errors of complete reversal • Compensating errors 	M1 M2

What skills do students need to demonstrate? <ul style="list-style-type: none"> • Understand the difference between precision, reliability and accuracy of measurements (M1) • Judge whether a calculated answer falls within the expected range of solutions by estimation (M2)
S1.3 Post corrections using double entry and journals
S1.3.3 Make adjustments to the initial balances once journals have been prepared.

What underpinning knowledge do students need?		English, maths and digital skills
K1.3	Control procedures and the correction of errors, including the posting of corrections using double entry journals and the use of control accounts	
K1.3.4	Understand the types of error exposed by the trial balance and the process for tracing and correcting errors using journals and how to make adjustments <ul style="list-style-type: none"> • Single entry • Casting error • Transpositional error • Extraction error • Omission of ledger account • Two entries on one side 	M1 M2

What skills do students need to demonstrate? <ul style="list-style-type: none"> • Organise ideas and information logically and coherently (E1, E2) • Use appropriate technical terms in financial documents (E4) • Use standard methods to calculate more accurate answers to problems (M2) • Use accounting formulae to calculate answers (M4)
S1.3 Post corrections using double entry and journals
S1.3.4 Demonstrate how to clear the suspense account using journals and updating the ledger account.

What underpinning knowledge do students need?		English, maths and digital skills
K1.3	Control procedures and the correction of errors, including the posting of corrections using double entry journals and the use of control accounts	
K1.3.5	Know the purpose of the suspense account including: <ul style="list-style-type: none"> • The reasons why a suspense account will be created • How to clear a suspense account using journals adjustments 	E1 E2 E4 M2 M4

What skills do students need to demonstrate?

- Use standard methods to calculate more accurate answers to problems (M2)
- Use accounting formulae to calculate answers (M4)

S1.3 Post corrections using double entry and journals**S1.3.5 Make adjustments to the initial trial balance:**

- create a revised trial balance using a standard template
- combine the initial trial balance figures with any adjustments made to those balances
- update the ledger accounts balances with the revised amounts
- update the adjusted balances to create the revised trial balance
- add up all columns of the revised trial balance to identify if the debits equal the credits.

What underpinning knowledge do students need?		English, maths and digital skills
K1.3	Control procedures and the correction of errors, including the posting of corrections using double entry journals and the use of control accounts	
K1.3.6	<p>Understand how to manage errors identified by using journals to correct errors and make period end adjustments</p> <ul style="list-style-type: none">• Based on the adjustments made to the initial trial balance, how to prepare a revised trial balance incorporating the adjustments made• How to use their knowledge of context to find appropriate solutions to calculations• Use formulae for calculations <p>The importance of documenting – the reason for the journal</p> <ul style="list-style-type: none">• To prevent fraud and provide an audit trail	M2 M4

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Calibrate an instrument following standard protocols, by reconciling financial documents (M1)
- Use standard methods to calculate more accurate answers to problems when reconciling documents (M2)
- Use accounting formulae to calculate answers (M4)

S1.4 Apply control procedures using control account reconciliations to complete:

- trade receivables (sales) ledger control account reconciliation
- trade payables (purchases) ledger control account reconciliation
- bank reconciliation
- petty cash reconciliation.

What underpinning knowledge do students need?		English, maths and digital skills
K1.4	Control procedures	
K1.4.1	<p>Understand the purpose of reconciliation</p> <ul style="list-style-type: none"> • Why and how to reconcile the trade receivables (sales) and trade payables (purchases) ledger control accounts with the trade receivables (sales) and trade payables (purchase) ledger • Why and how to reconcile the bank statement with the cash book • Why and how to perform a petty cash reconciliation • Why and how to update and reconcile the non-current asset register with the ledger: <ul style="list-style-type: none"> ○ additions of new non-current assets ○ disposals ○ depreciation charges 	E1 E2 E3 M1 M2 M4
K1.4.2	<p>Why and how to make appropriate entries from the bank statement into the cash book</p> <ul style="list-style-type: none"> • Bank interest paid and received • Bank charges • Direct debits and automated payments/receipts • Total and balance of the cash book structure/presentation of the bank reconciliation statement 	E1 E2 E3 M2 M4

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Select key information from written text and summarise concisely (E4)
- Read, understand and synthesise information to suit audience and purpose (E5)
- Make reasonable approximations for common calculations when using digital tools in accounting (M2)
- Choose when particular formulas are relevant to a situation (M4)
- Find data and scrutinise it for its relevance to the intended use (M5)
- Use a range of digital tools effectively when creating financial documents (D1)
- Produce financial content in appropriate media (D2)
- Process and analyse financial documents using digital tools (D3)

S1.5 Produce reports using contemporary digital tools, for review.

- trial balance
- nominal activity reports
- aged debtor (receivables)
- creditor listings (payables).

S1.5.1 Using digital tools, input transactions to be able to produce the following:

- trial balance
- nominal (general ledger) activity reports
- audit trails
- aged receivables listing
- aged payables listing.

What underpinning knowledge do students need?		English, maths and digital skills
K1.5	Digital tools	
K1.5.1	<p>Understand how to make effective use of contemporary digital tools to produce information for the financial statements by selecting, configuring and effectively using digital software.</p> <ul style="list-style-type: none"> • The process of preparing information for the use of digital tools producing: <ul style="list-style-type: none"> ○ trial balance ○ nominal activity reports ○ audit trail ○ aged receivables list ○ aged payables list • Presentation of information using digital tools: <ul style="list-style-type: none"> ○ how to create and edit documents to enhance their work ○ how to create digital content suitable for a range of purposes and audiences, incorporating a range of information 	E1 E2 E3 E4 E5 M2 M4 M5 D1 D2 D3

	<ul style="list-style-type: none"> ○ accurately summarise the findings for a range of business uses ○ understand the implications of accessing and processing data: <ul style="list-style-type: none"> – understand employee rights and responsibilities under data protection law, current practices relating to data collection, employer data and information and use when using digital tools ● Understand how to relay technical information to others – using digital tools ● Understand the different forms of written communication – reports, emails, memos, notes, reports, financial statements and documents <ul style="list-style-type: none"> ○ appropriate format ○ structure ○ correct spelling, grammar, punctuation, choice of vocabulary ● Know the different considerations to determine appropriate forms of communication for different audiences <ul style="list-style-type: none"> ○ purpose of communication ○ experience of the audience ● Understand how digital tools can support calculations ● How to use formula to produce calculations in spreadsheets <ul style="list-style-type: none"> ○ apply routine skills with confidence and fluency to solve technical problems ○ use their knowledge of context to find appropriate and approximate solutions to calculations ○ use software to process calculations ● Understand how to use appropriate technology to carry out the systematic organisation of data into usable forms 	
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Performance Outcome 2: Prepare primary financial statements

What skills do students need to demonstrate? <ul style="list-style-type: none"> • Organise ideas and information logically (E2) • Make reasonable approximations for common calculations in trial balances (M2)
S2.1 Evaluate completeness and quality of source data. <ul style="list-style-type: none"> • From the trial balance
S2.1.1 Analyse further errors and omissions and make corrections in the nominal ledger or refer them to the appropriate person <ul style="list-style-type: none"> • Spot obvious errors in preparing the trial balance • Make adjustments

What underpinning knowledge do students need?		English, maths and digital skills
K2.1	Analysis of completeness and quality of source of data	
K2.1.1	<p>Know the types of error, including:</p> <ul style="list-style-type: none"> • Errors revealed by a trial balance: <ul style="list-style-type: none"> ○ partial omission ○ unequal entry ○ posting ○ addition ○ transposition • Errors not revealed by a trial balance: <ul style="list-style-type: none"> ○ commission ○ omission ○ complete reversal ○ principle ○ original entry ○ compensating • Following workplace requirements for checking for quality <ul style="list-style-type: none"> ○ understand how estimating can support spotting of errors • How to use their knowledge of context to find appropriate and approximate solutions to calculations • How to use estimations, perhaps using rough rules of thumb, as a starting point to 'get a sense of', where more accurate calculations may be required at a later stage • Understand estimation, sources of error and approximation and recognise the impact of these on the accuracy of solutions to problems in applied contexts 	E2 M2

What skills do students need to demonstrate?
S2.2 Calculate period end routines and adjustments, including closing inventory, depreciation, irrecoverable debts, accruals, prepayments and post to accounts.
S2.2.1 Complete the following calculations: <ul style="list-style-type: none"> • period end routines adjustments: <ul style="list-style-type: none"> ○ closing inventory ○ depreciation ○ irrecoverable debts ○ allowance for doubtful debts ○ accruals ○ prepayments.
S2.2.2 Complete calculations using an extended trial balance to prepare: <ul style="list-style-type: none"> • Statement of Profit or Loss • Statement of Financial Position.
S2.2.3 Complete calculations to prepare for limited companies: <ul style="list-style-type: none"> • A Cash Flow Statement • Statement of Changes in Equity.

What underpinning knowledge do students need?		English, maths and digital skills
<ul style="list-style-type: none">• Make reasonable approximations for common calculations in accounts (M2)• Choose when particular formulas are relevant to a situation (M4)		
K2.2	Calculations to make adjustments	
K2.2.1	<p>Understand how to make adjustments to post to the accounts including:</p> <ul style="list-style-type: none">• Prepayments• Closing inventory• Depreciation• Irrecoverable debts• Allowance for doubtful debts• Accruals• Disposal of non-current assets <p>Understand use of calculations</p> <ul style="list-style-type: none">• Apply routine skills with confidence and fluency to solve technical problems• Use their knowledge of context to find appropriate and approximate solutions to calculations	M2 M4

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)

S2.3 Apply accounting standards.

- UK Generally Accepted Accounting Standards
- International Financial Reporting Standards

What underpinning knowledge do students need?		English, maths and digital skills
K2.3	Primary financial statements	
K2.3.1	<p>Understand the role of the Financial Reporting Council – dealing with standards in the United Kingdom and Ireland and be familiar with UK Generally Accepted Accounting Practices (GAAP).</p> <p>Understand the role of the International Accounting Board (IASB) – dealing with international standards and have an overview of key International Accounting Standards</p> <ul style="list-style-type: none"> • IAS1: Presentation of Financial Statements • IAS2: Inventories • IAS7: Statement of Cash Flows (indirect method) • IAS8: Accounting Policies, Changes in Accounting Estimates and Errors • IAS16: Property, Plant and Equipment (PPE) • IAS37: Provisions, Contingent Liabilities and Contingent Assets 	E1 E2 E3
K2.3.2	Understand that the accounting standards are given legal status under the Companies Act.	
K2.3.3	<p>Understand the purpose of primary financial statements in reporting financial performance including:</p> <ul style="list-style-type: none"> • Statement of Financial Position • Statement of Profit or Loss • Statement of Cash Flows • Statement of Changes in Equity 	
K2.3.4	Understand that financial statements should always show a 'true and fair view'.	

What skills do students need to demonstrate? <ul style="list-style-type: none"> • Organise ideas and information logically and coherently (E1, E2) • Express ideas clearly and concisely (E3)
S2.4 Prepare financial statements.
S2.4.1 Prepare for limited companies. <ul style="list-style-type: none"> • A Statement of Profit or Loss • Statement of Financial Position • Statement of Cash Flows • Statement of Changes in Equity.
S2.4.2 Prepare for partnerships and sole traders. <ul style="list-style-type: none"> • Statement of Profit or Loss • Statement of Financial Position.

What underpinning knowledge do students need?		English, maths and digital skills
K2.4	Knowledge required for preparation of financial statements	
K2.4.1	Understand the content, format and layout of primary financial statements for different entities including sole trader, partnership, limited company, including use of formula and calculations in development of different financial statements	
K2.4.2	Understand financial statements for limited companies from extended trial balance to convey technical information/present information to audiences/standard technical documents for Accounting sector using precise terminology and agreed formats. These could include: <ul style="list-style-type: none"> • Statement of Profit or Loss • Statement of Financial Position • Statement of Changes in Equity • Statement of Cash Flows • Supporting notes to the accounts, including accounting policies, supporting notes on Statement of Profit or Loss and Statement of Financial Position 	E1 E2 E3
K2.4.3	Understand financial statements for partnerships and sole traders to convey technical information/present information to audiences/standard technical documents for Accounting sector using precise terminology and agreed formats. These could include: <ul style="list-style-type: none"> • Statement of Profit or Loss • Profit and loss appropriation account • Statement of Financial Position 	E1 E2 E3

K2.4.4	<p>Understand the characteristics of information in financial statements and the importance from an accounting perspective.</p> <p>Understand the primary users of final accounts and their needs:</p> <ul style="list-style-type: none"> • Directors • Shareholders • Potential investors • Financial commentators 	E1 E2 E3
K2.4.5	<p>Understand the relevance of accurate financial statements for stakeholders and statutory purposes and the importance of reliability, completeness, comparability, timeliness</p> <ul style="list-style-type: none"> • In decision making • For statutory purposes for filing at Companies House • For receipt and approval by the shareholders • Required by HMRC to verify the tax calculation 	E1

What skills do students need to demonstrate?

- Make reasonable approximations for common calculations in accounts (M2)
- Choose when particular formulas are relevant to a situation (M4)
- Manage and maintain accounting data using appropriate software (M5, D1)
- Validate data using digital tools (M6)
- Produce financial content in appropriate media (D2)
- Use digital tools to gather, model, interrogate and quality assure information in financial documents (D3)
- Work efficiently and collaboratively using digital technology, tools and resources (D4)
- Be safe and responsible using digital tools for accounting (D5)

S2.5 Use contemporary digital tools to produce primary financial statements for sole trader, partnerships and limited companies consistent with recognised accounting standards.

What underpinning knowledge do students need?		English, maths and digital skills
K2.5	Using digital tools for financial documents	
K2.5.1	<p>Understand how to make effective use of contemporary digital tools for producing financial statements including accounting packages, including use of formula and calculations in development of different financial statements in different software</p> <ul style="list-style-type: none"> • The advantages and disadvantages of using software – accounting software, spreadsheet software • Some familiarisation with popular packages <p>Understand the process of preparing primary financial statements using digital tools</p> <p>Understand presentation of information using digital tools</p> <ul style="list-style-type: none"> • How to create and edit documents to enhance their work • How to create digital content suitable for a range of purposes and audiences, incorporating a range of information • How to communicate in an appropriate way for their organisation, using suitable modes of online communication for financial statements publication • Understand employee rights and responsibilities under data protection law, current practices relating to data collection, employer data and information and use when using digital tools 	<p>M2</p> <p>M4</p> <p>M5</p> <p>M6</p> <p>D1</p> <p>D2</p> <p>D3</p> <p>D4</p> <p>D5</p>

Performance Outcome 3: Analyse business performance and present results

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Select key information from written text and summarise concisely (E4)
- Read, understand and synthesise information to suit audience and purpose (E5)
- Make reasonable approximations for common calculations in accounts (M2)
- Generalise proportional thinking in words and accounting formulae (M3)
- Find data and scrutinise its relevance for accounting (M5)
- Understand the way data is processed in accounting and judge whether it is appropriate to use (M6)

S3.1 Perform ratio analysis, interpret the results of calculations and present findings and recommendations in order to support decision making on the strength and adaptability of a business.

S3.1.1 Perform ratio analysis to calculate:

- profitability
- liquidity
- efficiency
- investment.

S3.1.2 Interpret the results of these calculations and present findings/recommendations to support decision making on the strength and adaptability of a business.

What underpinning knowledge do students need?		English, maths and digital skills
K3.1	Ratio analysis, interpretation of results and decision making	
K3.1.1	<p>Understand the purpose of ratio analysis and how to calculate:</p> <p>Profitability:</p> <ul style="list-style-type: none"> • Gross profit margin: $(\text{Gross Profit}/\text{Sales Revenue}) \times 100$ • Mark-up: $(\text{Sales Price} - \text{Unit Cost})/\text{Unit Cost} \times 100$ • Operating profit margin: $(\text{Operating revenue}/\text{revenue}) \times 100$ • Return on Capital Employed (ROCE): $(\text{Net Profit before interest and tax}/\text{Capital employed}) \times 100$ <p>Liquidity:</p> <ul style="list-style-type: none"> • Current asset ratio: $\text{Current Assets}/\text{Current Liabilities}$ • Quick/acid test: $\text{Current Assets} - \text{Inventory}/\text{Current Liabilities}$ <p>Efficiency:</p> <ul style="list-style-type: none"> • Non-current asset revenue: $\text{Net Sales Revenue}/\text{Total Net Book Value of Non-Current Assets}$ 	M2 M3 M4 M5 M6

	<ul style="list-style-type: none"> Trade receivables collection period/days: $(\text{Trade Receivables} / \text{Credit Sales}) \times 365$ 	
	<ul style="list-style-type: none"> Trade payables payment period/days: $(\text{Trade Payables} / \text{Credit Purchases}) \times 365$ Rate of inventory revenue: $(\text{Average stock} / \text{cost of goods sold}) \times 365$ Inventory days/inventory revenue period Inventory turnover period: $\text{Cost of Sales} / \text{Average Inventory}$ Inventory days: $\text{Average inventory} / \text{Cost of Sales} \times 365$ <p>Financial:</p> <ul style="list-style-type: none"> Gearing: $(\text{Long-term liabilities} / \text{capital employed}) \times 100$ Interest cover: $\text{Profit before Interest and tax} / \text{Interest Expense}$ 	
K3.1.2	<p>Understand how to interpret the results of the ratio analysis to make recommendation for the efficiency/profitability financial performance of the business to help support business decision making by:</p> <ul style="list-style-type: none"> Drawing comparisons with: <ul style="list-style-type: none"> previous period results competitor's results industry averages/norms Presenting findings to management to feed into business plans and strategy (inform internal management accounts for performance reporting) 	E1 E2 E3 E4 E5 M5 M6
K3.1.3	<p>Understand the limitations of ratio analysis</p> <ul style="list-style-type: none"> Doesn't provide you with answers but indicates where further research is needed Uses historic data so limited reliability Accounting practices vary amongst firms Affected by external factors Anything related to Statement of Financial Position is a snapshot in time and not about an ongoing situation Achieving a meaningful comparison is difficult Published industry averages are only guideline Difficult to interpret variations in ratios 	

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Select key information from written text and summarise concisely (E4)
- Read, understand and synthesise information to suit audience and purpose (E5)
- Understand the difference between precision, reliability and accuracy of measurements when using cash flow forecasts (M1)
- Make reasonable approximations when creating forecasts (M2)
- Able to generalise proportional thinking when creating forecasts (M3)
- Choose when particular formulas are relevant in creating forecasts (M4)
- Find data and scrutinise it for its relevance when creating forecasts (M5)
- Be able to understand how data is processed and can affect its validity in creating forecasts (M6)

S3.2 Produce cash flow forecasts to support a business to effectively plan its cash position for review for performance reporting.

S3.2.1 Produce a cash flow forecast.

S3.2.2 Plan its cash position for review.

What underpinning knowledge do students need?		English, maths and digital skills
K3.2	Produce cash flow forecasts to support a business to effectively plan its cash position for the future	
K3.2.1	<p>Understand how to produce a cash flow forecast with consideration of:</p> <ul style="list-style-type: none"> • Cash sales and cash purchases • Credit sales and credit purchases • Drawings/dividends • Expenses such as wages, heat and light etc. • Irregular cash flows such as the purchases of non-current assets • Discounts allowed and discounts received • The role played by estimations in calculations and proportional reasoning with fluency to solve problems and model situations • Know how to interrogate data, how such data may be captured in cashflow forecasts to make predictions. • Audience: <ul style="list-style-type: none"> ○ know the different types of audience – client, colleague = ○ read, understand, synthesise, organise and present information ideas logically, coherently and concisely for the audience and purpose – using supporting documentation ○ understand how to relay technical information to others 	E1 E2 E3 E4 E5 M1 M2 M3 M4 M5 M6

	<ul style="list-style-type: none"> ○ appropriate format ○ structure ○ correct spelling, grammar, punctuation, choice of vocabulary ○ level of technical language used is determined by the experience of the audience ○ summarise concisely results, recommendations and decisions in a style appropriate to audience and purpose ○ using different tools to aid understanding – graphics, tables, supporting data, diagrams, images 	
K3.2.2	Understand why businesses use cash flow forecasting to develop their business plan/strategy <ul style="list-style-type: none"> ● To identify shortfalls in cashflow ● To adapt timing for inflows and outflows ● To achieve funding or gain loans 	
K3.2.3	Understand the actions required when a cash flow forecast predicts a cash surplus.	

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Make reasonable approximations for common calculations in creating budgetary plans (M2)
- Be able to understand how data is processed and can affect its validity in creating budgetary plans (M6)

S3.3 Produce budgetary plans, using appropriate cost and management accounting concepts and techniques for review.

S3.3.1 Prepare a range of budgets for review.

What underpinning knowledge do students need?		English, maths and digital skills
K3.3	Budgetary plans, using appropriate cost and management accounting concepts and techniques for review	
K3.3.1	Understand how to prepare a variety of budgets which could include: <ul style="list-style-type: none"> ● Statement of Profit or Loss ● Statement of Financial Position ● Sales budget ● Labour budget ● Purchases budget ● Trade receivables budget ● Trade payables budget 	E1 E2 E3 M2 M6

K3.3.2	Understand how estimating and calculating supports the development of a budget plan for audiences <ul style="list-style-type: none"> Summarise concisely results, recommendations and decisions in a style appropriate to audience and purpose Using different tools to aid understanding – tables, diagrams 	
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What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Select key information and summarise concisely when supporting business decision making (E4)
- Read, understand and synthesise information to support making business decisions (E5)
- Make reasonable approximations for common calculations when supporting business decision making (M2)
- Are able to generalise proportional thinking in words and formulae when supporting business decision making (M3)
- Choose when particular formula are relevant when supporting business decision making (M4)
- Find data and scrutinise it for its relevance to support making business decisions (M5)

S3.4 Calculate variances and make recommendations to support business decision making.

S3.4.1 Calculate variances.

S3.4.2 Provide solutions.

What underpinning knowledge do students need?		English, maths and digital skills
K3.4	Variances and the analysis of data to identify business performance to make recommendations	
K3.4.1	Understand how to calculate variances to include: <ul style="list-style-type: none"> Sales price variance Sales volume variance Labour rate variance Labour efficiency variance Material price variance Material usage variance To identify whether variances are favorable or unfavorable 	M2 M3 M4 M5
K3.4.2	Understand potential interrelationships which may have caused the variances to occur.	

K3.4.3	Understand how to produce reconciliation statements to reconcile: <ul style="list-style-type: none"> Budgeted costs to actual costs Budgeted profit to actual profit 	M4
K3.4.4	Understand the causes of variances Understand how to make recommendations and present information for potential improvements to different audiences that can be implemented based on different business situations to feed into business plans/strategy for internal management accounts for performance reporting Presentation of ideas <ul style="list-style-type: none"> Summarise concisely results, recommendations and decisions in a style appropriate to audience and purpose Using different tools to aid understanding – tables, diagrams 	E1 E2 E3 E4 E5

What skills do students need to demonstrate?

- Read, understand and synthesise information to identify trends (E5)
- Make reasonable approximations for when identifying trends (M2)
- Are able to generalise proportional thinking in words and formulae (M3)
- Find data and scrutinise it for its relevance when identifying trends (M5)
- Be able to understand how data is processed affects its validity in different situations and identify trends (M6)
- Process and analyse information and data effectively and securely, using relevant digital tools (D3)

S.3.5 Use industry data and identify trends that may impact the business.

S3.5.1 Use industry data to make recommendations for a business to improve the financial performance of the business.

What underpinning knowledge do students need?		English, maths and digital skills
K3.5	The impact of market research/market trends on the profitability/liquidity of a business	
K3.5.1	Understand primary (quantitative and qualitative) and secondary data relating to the business <ul style="list-style-type: none"> Interest rates Consumer income Employment/unemployment rates Inflation Demographics Competitor information Market trends 	

K3.5.2	<p>Understand the impact of industry data on the profitability and liquidity of the business</p> <ul style="list-style-type: none"> • Changes in costs • Changes in revenue • Gross profit • Profit for the year • GPM (Gross Profit Margin) • Profit for the year as a percentage of revenue 	E5 M3 M6 D3
K3.5.3	<p>Understand how to make recommendations to support decision making</p> <ul style="list-style-type: none"> • Make suggestions on how they can improve organisation performance • Implications of suggested changes <p>Understand how digital tool can support data analysis</p>	E5 M2 M5 M6 D3

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Make reasonable approximations when creating forecasts (M2)
- Able to generalise proportional thinking when creating forecasts (M3)
- Choose when particular formulas are relevant in creating forecasts (M4)
- Access and manage digital information and data effectively and securely when creating forecasts and budget plans (D1, D2)
- Use digital tools to gather, model, interrogate and quality assure information and data (D3)
- Work efficiently and collaboratively using digital technology, tools and resources (D4)

S3.6 Use technology to produce budgets/cashflow forecasts using data.

S3.6.1 Use data analytical technology to manipulate budgets/cashflow forecasts to support business decision making.

What underpinning knowledge do students need?		English, maths and digital skills
K3.6	Understand how cash flow forecasts and budget plans can be created using spreadsheets to support decision making	
K3.6.1	<p>Understand how to make effective use of contemporary digital tools for producing financial documentation including use of formula and calculations in different software</p> <p>Understand how spreadsheet software and formula are used to create cashflow forecasts and budgets from set data for management accounting usage</p> <p>Understand the process of preparing cash flow forecasts and budget plans using digital tools</p> <p>Understand presentation of information using digital tools:</p> <ul style="list-style-type: none"> • How to create and edit documents to enhance their work • How to create digital content suitable for a range of purposes and audiences, incorporating a range of information • How to communicate in an appropriate way for their organisation, using suitable modes of digital communication • Accurately summarise the findings for a range of business uses 	E1 E2 E3 M2 M3 M4 D1 D2 D3 D4

	<p>Know how to present information and ideas:</p> <ul style="list-style-type: none"> • How to present technical and non-technical information and ideas to peers, managers or individuals from outside or within the organisation • How to present information and ideas clearly using appropriate non-digital and digital tools accompanied by supporting documentation • How to organise ideas and information logically • How to summarise concisely decisions in a style appropriate to audience and purpose 	
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Performance Outcome 4: Provide support to tax and audit functions

What skills do students need to demonstrate? <ul style="list-style-type: none"> • Make reasonable approximations when working with tax (M2) • Choose appropriate formulae for working with tax (M4) • Find data and scrutinise when working with tax (M5) • Understand how data is processed for different types of tax (M6)
S4.1 Identify and explain the different types of tax.
S4.1.1 Identify the different types of business taxes – direct and indirect.
S4.1.2 Identify the different personal taxes.

What underpinning knowledge do students need?		English, maths and digital skills
K4.1	Knowledge of the UK tax system and the different types of tax	
K4.1.1	Know the UK tax system. Understand the types of business tax within the UK, the rates and the way the final tax payable or receivable is calculated <ul style="list-style-type: none"> • VAT – exclusive and inclusive, allowable and disallowable expenses • Input tax and output tax – to prepare a VAT return • Corporation Tax – tax payable on profit, allowable and disallowable expenses • Sole trader personal tax – tax payable on profit, allowable and disallowable expenses • Custom & Excise duties 	M2 M4 M5
K4.1.2	Understand the basic tax principles to apply to current UK regulations to calculate personal tax and national insurance contributions for an individual <ul style="list-style-type: none"> • Income Tax: <ul style="list-style-type: none"> ◦ personal allowances • National Insurance Contributions 	M2 M4 M5 M6
K4.1.3	Understand the basic tax principles to apply to current regulations to calculate VAT and submit a VAT return <ul style="list-style-type: none"> • Direct • Indirect 	M2 M4 M5 M6
K4.1.4	Understand the difference between tax avoidance and tax evasion from a legal and ethical perspective	

K4.1.5	<p>Understand the differences between vatable and exempt supplies and the different VAT rates used in the UK</p> <ul style="list-style-type: none"> • Exempt supplies • Taxable supplies: <ul style="list-style-type: none"> ○ zero rated ○ reduced rate ○ standard rate 	M2 M4 M5 M6
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What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Select key information and summarise concisely when preparing tax computations (E4)
- Read, understand and synthesise information to make tax computations (E5)
- Understand the difference between precision, reliability and accuracy when working with tax (M1)
- Make reasonable approximations when working with tax (M2)
- Choose appropriate formulae for working with tax (M4)
- Find data and scrutinise when working with tax (M5)
- Understand how data is processed for different types of tax (M6)
- Access and manage digital information and data effectively and securely (D1)
- Design, create, develop and integrate digital content, using different formats for tax computations (D2)

S4.2 Assist in the preparation of tax computations using appropriate software tools.

S4.2.1 Use financial information to prepare different tax returns showing how bookkeeping tasks support this.

S4.2.2 Identify taxable and exempt supplies for VAT.

S4.2.3 Assist in the submission of a VAT return.

S4.2.4 Use financial record items to assist with tax computation.

S4.2.5 Use appropriate software packages for the preparation of information for taxation purposes.

What underpinning knowledge do students need?		English, maths and digital skills
K4.2	Understand how bookkeeping tasks contribute to the preparation of tax computations	
K4.2.1	<p>Understand how to use financial information (accounts receivables/accounts payables control accounts, journals, cashbook) to calculate deductions that a business can take when preparing for a VAT return</p> <ul style="list-style-type: none"> • Discounts allowed and received/settlement discounts 	M1 M2 M4 M5 M6

K4.2.2	<p>Understand which transactions are allowable and disallowable when assisting in the preparation of tax computations</p> <ul style="list-style-type: none"> • Capital allowances – non-current assets purchased and associated costs that can be claimed against profits • Disallowed expenditure – expenses that are not allowable for calculating taxable trading profits 	
K4.2.3	<p>Understand how to use appropriate software to prepare information for taxation purposes</p> <ul style="list-style-type: none"> • Calculation of total and net figures in relation to VAT – use of coding (numeric, alpha numeric) • How the VAT return is prepared using bookkeeping entries <p>Understand how to make effective use of contemporary digital tools for producing financial documentation including use of formula and calculations in different software</p> <p>Understand how software and formula are used to prepare tax computations</p> <p>Understand employee rights and responsibilities under data protection law, current practices relating to data collection, employer data and information and use when using digital tools</p>	M2 M4 M5 M6 D1 D2
K4.2.4	<p>Understand the different forms of written communication – reports, emails, letters, memos, notes, reports, financial statements and documents</p> <ul style="list-style-type: none"> • Appropriate format • Structure <p>Understand how to synthesise, organise and present information ideas logically, coherently and concisely for the audience and purpose</p>	E1 E2 E3 E4 E5

What skills do students need to demonstrate? <ul style="list-style-type: none"> • Organise ideas and information logically and coherently (E1, E2) • Express ideas clearly and concisely (E3) • Select main key information from written text/oral discussions and summarise concisely to be able to be audit ready (E4) • Read, understand and synthesise information to suit audience and purpose (E5)
S4.3 Explain the audit process and assurance framework and provide evidence for discrete aspects of the audit.
S4.3.1 Identify ethical threats and provide recommendations to the auditors to reduce those threats.
S4.3.2 Identify what is required by the auditor at the planning stage.
S4.3.3 Identify audit risks.
S4.3.4 Provide deficiencies in control systems.

What underpinning knowledge do students need?		English, maths and digital skills
K4.3	The audit and assurance framework including concepts and principles	
K4.3.1	Understand the objective of an audit <ul style="list-style-type: none"> • To provide reasonable assurance on whether the financial statements are true and fair and fairly presented • What are material misstatements • The responsibilities of directors and auditors in relation to the financial statements and the audit process • The role of professional scepticism and professional judgement during an audit • Why do companies have an audit • The benefits of assurance and having an external audit • The benefits of having an internal audit • How auditors are regulated and the role of the IAASB (International Auditing and Assurance Standards Board) 	
K4.3.2	Know what happens at each stage of an audit process <ul style="list-style-type: none"> • Acceptance stage • Engagement • Planning and audit risk • Assess the client controls and systems • Carry out substantive audit procedures • Finalisation and review • Preparation of the audit report 	

	<p>Understand ethical considerations at the acceptance stage</p> <p>Understand the importance of professional ethics</p> <ul style="list-style-type: none"> • What is the ethical code and how does it affect the auditor? • What are the Fundamental Principles – objectivity, professional competence and due care, professional behaviour, integrity, and confidentiality? • Understand the importance of independence and its relationship with objectivity • Identify the threats to objectivity: self-interest, self-review, advocacy, familiarity, and intimidation • What are the recommended safeguards to remove or reduce the ethical threat to an acceptable level? • Awareness of conflicts of interest relating to the auditor providing services to their clients <p>Understand the importance of identifying audit risks at the planning stage</p> <ul style="list-style-type: none"> • How does audit risk affects the external audit: <ul style="list-style-type: none"> ○ the components of the audit risk model, inherent, control and detection (sampling and non-sampling) ○ how the entity's environment can affect the level of inherent and control risk ○ provide basic analysis of key audit risks ○ awareness of how the audit team can manage the risks to keep the audit risk as low as possible • Know the internal control system and each of its components <ul style="list-style-type: none"> ○ control Activities ○ control Environment ○ risk ○ information systems ○ monitoring of controls • Know the stages of a control systems and expected controls that provide information in creating the financial statements <ul style="list-style-type: none"> ○ sales system ○ purchase system ○ inventory system ○ payroll ○ non-current assets ○ cash and bank • The types of deficiencies found in a control system • The types of recommendations for deficiencies found • How the external auditor identifies and communicates deficiencies and recommendations for a control system 	
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	<ul style="list-style-type: none"> • Understand the role of the internal auditor • Understand the difference between internal and external auditors • Know of how the internal auditor can assist the external audit 	
K4.3.3	<p>Know the type of information which is likely to be required for an audit</p> <ul style="list-style-type: none"> • How to prepare for an audit visit • Have an awareness of the audit evidence needed for the auditor to form conclusions on the financial statements 	
K4.3.4	<p>Understand how to relay technical information to others – orally, in writing.</p> <p>Understand the different forms of written communication – reports, emails, letters, memos, notes</p> <ul style="list-style-type: none"> • Correct spelling, grammar, punctuation, choice of vocabulary • Read, understand, synthesise, organise and present information ideas logically, coherently and concisely for the audience and purpose – using supporting documentation • Summarise concisely results, recommendations and decisions in a style appropriate to audience and purpose • Express opinions and support these with relevant and persuasive rationale – for purpose of audience and purpose of communication • Using different tools to aid understanding – graphics, tables, supporting data, diagrams, images • Following workplace requirements for checking for quality • Style of writing reflects the type of communication and the purpose – formal, informal, internal, external communication 	E1 E2 E3 E4 E5

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Read, understand and synthesise information to identify risks (E5)

S4.4 Identification of risks and the strategies that companies can use to manage risks.**S4.4.1 Identify business risk factors that would contribute to business failure.****S4.4.2 Communicate responsibilities of management and staff regarding fraud and advise on the steps required when fraud is found in the workplace.**

- By the internal auditor
- By the external auditor

What underpinning knowledge do students need?		English, maths and digital skills
K4.4	Accounting practices, improper practices, and system failure	
K4.4.1	Know what is a going concern <ul style="list-style-type: none"> • An entity that will continue in the foreseeable future • When is an entity not a going concern • Indicators of going concern problems • An awareness of how the going concern conclusion affects the financial statements 	
K4.4.2	Understand types of business risks <ul style="list-style-type: none"> • Competitive risk • Economic risk • Compliance risk • Operational risk • Legal risk • Reputational risk 	
K4.4.3	Understand fraud in the workplace <ul style="list-style-type: none"> • Understand the auditor's responsibility to fraud • Understand the management responsibility to fraud 	
K4.4.4	Know about high-profile companies that have failed due to system failure and fraud and lessons learnt.	

K4.4.5	<p>Understand how to communicate with audiences appropriately to relay technical information.</p> <p>Understand the different forms of written communication – reports, emails, letters.</p> <p>Understand the different ways to communicate with different audiences</p> <ul style="list-style-type: none"> • Level of technical language used is determined by the experience of the audience • Read, understand, synthesise, organise and present information ideas logically, coherently and concisely for the audience and purpose – using supporting documentation • Summarise concisely results, recommendations and decisions in a style appropriate to audience and purpose • Express opinions and support these with relevant and persuasive rationale – for purpose of audience and purpose of communication • Following workplace requirements for checking for quality • Style of writing reflects the type of communication and the purpose –formal, informal, internal communication 	E1 E2 E3 E5
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Performance Outcome 5: Prepare computations for payroll

S5.1 Analyse and input payroll-related data.

What underpinning knowledge do students need?		English, maths and digital skills
K5.1	An understanding of the intrinsic links and differences between payroll and finance, human resources and accounting	
K5.1.1	<p>Understand how payroll is administered in different types of organisations</p> <ul style="list-style-type: none"> • Private • Public • Outsourced payroll and in-house – advantages and disadvantages • Payroll functions <p>Understand the roles that manage the payroll function in any organisation</p> <ul style="list-style-type: none"> • The role of human resources • The role of the payroll clerk/administrator 	
K5.1.2	<p>Understand the different stages of the payroll process:</p> <ul style="list-style-type: none"> • Setting up a payroll system for new employees • Identifying off-payroll payments • Gathering information: personal employee payroll data – name, address, date of birth, nationality/ right to work/share code, National Insurance Number, P45/Starter Checklist, bank details, National Insurance categories, tax codes • Calculate payments – statutory and voluntary • Calculate deductions • Producing payslip/P45/P60 • Producing payroll reports and returns 	

What underpinning knowledge do students need?		English, maths and digital skills
K5.2	Statutory obligations in payroll	
K5.2.1	<p>Understand the government department(s) responsible for overseeing the administration of payroll information</p> <ul style="list-style-type: none"> • HMRC • Department for Work and Pensions <p>Understand what is meant by the term devolution and the impact this has on payroll.</p>	
K5.2.2	<p>Understand legal and ethical legislation impacting payroll for both employees and employers (refer to current legislation)</p> <ul style="list-style-type: none"> • Data protection – General Data Protection Regulation • Employment rights – equality and diversity, Working Time Directive • National Minimum Wages • Employment relations • The Maternity and Parental Leave Regulations • Gender Pay Gap reporting <p>Understand the requirements for confidentiality and ethics.</p> <p>Understand the implications of accessing and processing data.</p> <p>Understand employee rights and responsibilities under data protection law, current practices relating to data collection, employer data and information and use when using digital tools.</p>	

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Make reasonable approximations for common calculations in payroll (M2)
- Choose when particular formula are relevant in payroll (M4)
- Find payroll data and scrutinise it for its relevance to the intended use (M5)
- Understand how data is processed in payroll (M6)
- Access and manage digital information and data effectively and securely (D1)
- Design, create, develop and integrate digital content, using different formats for payroll (D2)
- Use digital tools to gather, model, interrogate and quality assure information and data (D3)
- Work efficiently and collaboratively using digital technology, tools and resources (D4)
- Be safe and responsible whilst working with digital tools in payroll (D5)

S5.2 Using software tools, compute gross salary through to net pay including statutory payments, deductions, voluntary deductions by performing calculations in payroll.

- Personal tax
- Pensions bandings
- National Insurance categories
- Voluntary and involuntary (statutory and contractual) deductions

What underpinning knowledge do students need?		English, maths and digital skills
K5.3	Calculating gross pay	
K5.3.1	<p>The difference between salary and wages</p> <ul style="list-style-type: none"> • Annual salary/Hourly paid • Calculating pay • Basic pay • Overtime • Commission • Bonus <p>Types of contracts</p> <ul style="list-style-type: none"> • Zero hour • Permanent • Fixed term • Temporary • Off payroll <p>Benefits in kind</p> <ul style="list-style-type: none"> • Car allowance • Health insurance • Childcare 	<p>M2</p> <p>M4</p>

What underpinning knowledge do students need?		English, maths and digital skills
K5.4	Calculating net pay	
K5.4.1	<p>Understand how to make the necessary deductions to determine net pay, using a software program to record the financial transactions</p> <p>Understand how to calculate statutory deductions</p> <ul style="list-style-type: none"> National Insurance Contributions: <ul style="list-style-type: none"> rates and thresholds allowances, categories Income Tax (PAYE): <ul style="list-style-type: none"> personal allowance and tax codes: L, M, N, T, OT, BR, D0, D1, NT emergency Tax Codes (W1, M1, X) tax codes with the letter K Student loan: <ul style="list-style-type: none"> Plan 1, Plan 2, Plan 4, PGL <p>Understand how to calculate voluntary deductions and calculate the amount owing</p> <ul style="list-style-type: none"> Pensions: <ul style="list-style-type: none"> understand pensions and the impacts on payroll within an organisation types of pension scheme: workplace pensions, personal pensions, additional voluntary payments and state pensions calculate employee and employer pension contributions Trade Union Fees Give As You Earn (GAYE) <p>Understand how to calculate net pay</p> <ul style="list-style-type: none"> Gross Pay – Deductions = Net Pay 	M2 M4 M5 M6 D1 D2 D3 D4 D5 E1 E2

What underpinning knowledge do students need?		English, maths and digital skills
K5.5	Understanding eligibility for statutory payments	
K5.5.1	<p>How to determine eligibility for</p> <ul style="list-style-type: none"> Maternity (SMP): Notification period, length of service, earnings requirement Paternity (SPP): Notification period, length of service, earnings requirement, proof of relationship to child Adoption: Notification period, length of service, earnings requirement Sick (SSP) Employee status, earnings requirement, timescale 	M2 M4 M5 M6 D1 D2 D3 D4 D5 E1 E2

S5.3 Explain the content of the payslip and how this is impacted by the employee's tax code.

What underpinning knowledge do students need?		English, maths and digital skills
K5.6	The content of the payslip and the impact of the employee tax code	
K5.6.1	<p>Understand the different components recorded on a payslip and their function</p> <ul style="list-style-type: none"> • Employer and employee name • Tax code, payroll number and National Insurance number • Deductions – statutory and voluntary • Gross and net pay • Statutory benefits (if applicable) • Year to date • Relevant dates and method of payment 	
K5.6.2	<p>Understand the different types of documentation used in the payroll function</p> <ul style="list-style-type: none"> • Payslips • P45 • P60 	

What skills do students need to demonstrate?

- Organise ideas and information logically and coherently (E1, E2)
- Express ideas clearly and concisely (E3)
- Select key information from payroll documents and summarise concisely (E4)
- Read, understand and synthesise information when handling payroll information (E5)
- Make reasonable approximations for common calculations in payroll (M2)
- Choose when particular formula are relevant in payroll (M4)
- Access and manage digital information and data effectively and securely (D1)
- Design, create, develop and integrate digital content, using different formats for payroll (D2)
- Use digital tools to gather, model, interrogate and quality assure information and data (D3)
- Work efficiently and collaboratively using digital technology, tools and resources (D4)
- Be safe and responsible whilst working with digital tools in payroll (D5)

S5.4 Identify and respond to different client/service provider/employer/employee needs and obligations including those for different government department.

S5.4.1 Analyse and report on payroll-related data to different client/service provider/employer/employee needs and obligations including those for different government department.

S5.4.2 Analyse and interpret all stages of a payroll process to be able to identify and explain omissions, errors or factual information given on a payslip.

What underpinning knowledge do students need?		English, maths and digital skills
K5.7	Understand how to make effective use of digital tools for payroll information	
K5.7.1	<p>Understand how to make effective use of contemporary digital tools for producing payroll related information</p> <ul style="list-style-type: none"> • Awareness of payroll software • The advantages and disadvantages of using payroll software (including spreadsheets): <ul style="list-style-type: none"> ○ to check the accuracy of information ○ ensure that deductions have been calculated accurately ○ identify and report on any inaccuracies of the information to relevant parties – employees, HMRC, business owners <p>Understand presentation of information using digital tools</p> <ul style="list-style-type: none"> • How to create and edit documents 	E4 E5 D1 D2 D3 D4 D5

What underpinning knowledge do students need?		English, maths and digital skills
K5.8	The pensions landscape and types of pension scheme, including how they are administered	
K5.8.1	<p>Understand pensions and the impacts on payroll within an organisation</p> <ul style="list-style-type: none"> Types of pensions scheme: workplace pensions, personal pensions, additional voluntary payments and state pensions 	M2 M4
K5.8.2	<p>Understand automatic enrolment in workplace pensions and the legislative guidelines</p> <ul style="list-style-type: none"> The elements in workplace pensions The key administrative responsibilities in workplace pensions 	E1 E2 M2 M4

What underpinning knowledge do students need?		English, maths and digital skills
K5.9	Payroll submissions and returns to government departments	
K5.9.1	<p>Understand the importance of RTI and reporting information to HMRC</p> <p>Understand Real Time Information (RTI) including Full Payment Submission (FPS) and Employment Payment Summary (EPS) in submissions</p> <ul style="list-style-type: none"> What it means What it is for When it is used 	D2 D3 D4 D5
K5.9.2	<p>Understand the different forms of written communication – reports, emails, letters, memos, notes, reports</p> <ul style="list-style-type: none"> Appropriate format Structure Correct spelling, grammar, punctuation, choice of vocabulary <p>Know the different types of audience – client, colleague, external organisation</p> <p>Know the different considerations to determine appropriate forms of communication for different audiences</p> <ul style="list-style-type: none"> Purpose of communication Experience of the audience <p>Understand the different ways to communicate with different audiences</p> <ul style="list-style-type: none"> Level of technical language used is determined by the experience of the audience 	E1 E2 E3 D1 D2 D3 D4 D5

Scheme of Assessment – Assistant Accountant

There is a single synoptic assessment for this Occupational Specialism, which is an extended 'design, development and implementation' project. The synoptic element of the project is important to ensure students can demonstrate threshold competence and are able to evidence all the skills required by the Performance Outcomes.

The project consists of several activities grouped into eight substantive tasks.

Each task will be completed during a window set by Pearson, during which Providers will schedule supervised assessment sessions. In some cases, tasks will also involve opportunities for unsupervised activities, where the requirements of the skills being assessed make this necessary.

Occupational Specialism Project – Assistant Accountant
Externally assessed project: 17 hours 25 minutes 258 marks
Performance Outcomes In this project students will: PO1 – Produce and analyse a trial balance PO2 – Prepare primary financial statements PO3 – Analyse business performance and present results PO4 – Provide support to tax and audit functions PO5 – Prepare computations for payroll
Assessment overview There are eight parts to the assessment. <ul style="list-style-type: none">• Task 1: Preparation of a trial balance and complete a reconciliation• Task 2: Preparation of financial documents for a sole trader• Task 3: Preparation of tax computation• Task 4: Preparation of financial documents for a limited company• Task 5: Payroll activities• Task 6: Production of a payslip• Task 7: Audit• Task 8: Business performance analysis Students will respond to a given scenario to complete a substantial project. They will be assessed on their application of the skills listed for the Performance Outcomes. Students will not be assessed against specific 'knowledge' outcomes but will be expected to draw on and apply related knowledge to ensure appropriate outcomes when applying the skills in response to an assessment scenario. <ul style="list-style-type: none">• Students will undertake the project under a combination of supervised and controlled conditions.• The assessment will take place over multiple sessions, up to a combined duration of 17 hours and 25 minutes.• The project outcomes will consist of a portfolio of evidence submitted electronically.• This project will be set and marked by Pearson.

Performance Outcomes

Performance Outcome		Weighting	
		Raw marks	% of total marks
PO1	Produce and analyse a trial balance	35	13.5%
PO2	Prepare primary financial statements	57	22.1%
PO3	Analyse business performance and present results	82	31.8%
PO4	Provide support to tax and audit functions	35	13.6%
PO5	Prepare computations for payroll	49	19.0%

Resources for the delivery of Assistant Accountant

Providers would benefit from a good IT suite with access to Office Software and the internet and for students to have regular access to this.

Access to an accountancy software package (we will provide a list of supported applications on our website).

Teachers should have qualifications and/or experience in the accounting sector and have an awareness of accounting.

Teaching will need to be shared across a curriculum team which together will have the experience and knowledge that spans the breadth of the qualification content and has some experience of teaching to external assessments.

For the Assistant Accountant occupational specialism the following resources are required:

Assessment Task	Resource
1	Accounting software Spreadsheet software
2	Spreadsheet software
3	Word processing software
4	Word processing software
5	
6	Spreadsheet software Word processing software Payroll fact card
7	
8	Spreadsheet software Word processing software

5. Technical Qualification grading, T Level grading and results reporting

The *T Level Technical Qualification in Accounting* will be graded and awarded to comply with the requirements of Ofqual's General Conditions of Recognition.

Calculation of the Technical Qualification grade

The Technical Qualification components are awarded at the grade ranges shown in the table below.

Component	Available grade range
Core	A* – U
Occupational Specialist	Unclassified, Pass, Merit, Distinction

The Core Component uses an aggregation of points from each of the three Core Assessments to calculate the A* to E.

Students whose level of achievement for either component is below the minimum judged by Pearson to be of sufficient standard will receive an unclassified U result.

Awarding the Core Component

Grade boundaries will be set for each sub-component (Core Examinations and Employer Set Project) in each series in which they are offered through a process known as awarding. Awarding is used to set grade boundaries and ensure that standards are maintained over time. This is important as we must ensure that students have the same opportunity to achieve, regardless of the assessment opportunity.

Uniform Mark Scale

Students' raw sub-component marks will be converted to a Uniform Mark Scale (UMS). The UMS is used to convert students' sub-component 'raw' marks into uniform marks. This is done to standardise marks from one series to another as assessments may vary in difficulty. For example, a student who achieves the lowest mark worthy of a C grade in the Employer Set Project in one series will receive the same uniform mark as a student achieving that same grade and level of performance in another series, regardless of their raw marks.

The maximum number of uniform marks available for each sub-component, and the uniform marks relating to each grade boundary, are fixed. These are shown in the following table:

Grade	Core Exam	Core ESP	Core Overall
Maximum	240	120	360
A*	216 – 240	108 – 120	324 – 360
A	192 – 215	96 – 107	288 – 323
B	168 – 191	84 – 95	252 – 287
C	144 – 167	72 – 83	216 – 251
D	120 – 143	60 – 71	180 – 215
E	96 – 119	48 – 59	144 – 179
U	0 – 95	0 – 47	0 – 143

The Core Examination has two exam papers, the results of which are combined before conversion to UMS.

Calculation of the T Level grade

The *Calculation of qualification grade* table below shows the minimum thresholds for calculating the T Level grade, subject to successful completion of all elements. The table will be kept under review over the lifetime of the T Level.

Calculation of qualification grade			
	Occupational Specialism grade		
Core grade	Distinction	Merit	Pass
A*	Distinction*	Distinction	Distinction
A	Distinction	Distinction	Merit
B	Distinction	Merit	Merit
C	Merit	Merit	Pass
D	Merit	Pass	Pass
E	Pass	Pass	Pass

Students who do not meet the minimum requirements for a T Level to be awarded will not be certificated. They may receive a Notification of Performance for individual components.

To be awarded the T Level, a student must complete both components and achieve a minimum of a grade E in the Core Component and a Pass in the Occupational Specialism Component. In addition, they must successfully complete the other elements of the T Level as required by the Institute for Apprenticeships and Technical Education (the Institute) and the T Level Panel, such as 315 hours of industry placement.

Students whose level of achievement for either component is below the minimum judged by Pearson to be of sufficient standard will receive an unclassified U result.

Results reporting

The *T Level Technical Qualification in Accounting* forms the substantive part of the Accounting T Level programme. The T Level programme includes other elements that are required to be completed successfully for students to be awarded the T Level from the Institute. The Institute will provide T Level certificates to students who successfully complete all elements of the T Level programme.

The Institute will issue T Level results on Level 3 results day in August.

Pearson are not required to issue Technical Qualification certificates to students; instead we will provide component results for assessments that students undertake.

Pearson will issue component results on the results day designated for each assessment window.

6. Entry, delivery and assessment information

Introduction

This section focuses on the key information to deliver the *T Level Technical Qualification in Accounting*. It is of particular value to programme leaders and examinations officers, who must ensure appropriate arrangements are made for assessments.

Student registration

Shortly after students start their T Level programme, you must make sure they are registered for the Technical Qualification. You will be required to register students as outlined in our Key Dates Schedule, which is published annually on our qualification webpage.

At the point of registration onto the Technical Qualification, we will ask you to confirm the Occupational Specialist Component(s) the student has chosen to study, or as a minimum provide an indication.

Students can be formally assessed only for a qualification on which they are registered.

If students' intended qualifications change – for example, if a student decides to choose a different occupational specialism – then the Provider must transfer the student appropriately.

Transferring between T Levels

Some students may switch between T Levels. During Year 1, Providers should consider the degree of overlap between the two T Levels and the remaining time pre-assessment, to determine if transfers should be permitted.

For funding purposes, it is important that students have decided about their T Level and Occupational Specialism by the end of their first year.

T Level Core assessments will vary in terms of content coverage, duration, and method, and therefore attainment from one T Level cannot count towards another.

Programme delivery

Providers are free to deliver this Technical Qualification using any form of delivery that meets the needs of your students. We recommend making use of a wide variety of modes, including direct instruction in classrooms or work environments, investigative and practical work, group and peer work, private study, and e-learning.

Availability of live assessment

The assessments for the *T Level Technical Qualification in Accounting* will be scheduled annually as shown in the table below:

Annual Series for Accounting					
Component	First assessment	Month(s)	Window/set date	Exam type	Paper/on-screen
Core Examination 1	2023	June November	Set date and time	Written examination	Paper
Core Examination 2	2023	June November	Set date and time	Written examination	Paper
Employer Set Project	2023	May November	Window	Task	Paper
Occupational Specialist Project*	2024	March-May	Task specific: window/set date and time	Task	Paper

Annual assessment dates for the Technical Qualification will be published in the Key Dates Schedule, which is available on the qualification webpage. Each Technical Qualification has unique dates for each assessment and the window for the
*Occupational Specialist Project will vary depending on the Technical Qualification, therefore please refer to the Key Dates Schedule for the qualification you are delivering.

In developing an overall plan for delivery and assessment for the qualification, you will need to consider the order in which you deliver the content and when the assessments will take place.

Students must be prepared for external assessment by the time they undertake it. In preparing students for assessment, you will want to take account of required learning time, the relationship with other external assessments and opportunities for retaking.

Language of assessment

Assessment of this qualification will be available in English. All student work must be in English. This does not affect special requirements.

Student assessment entry

Students must be entered into an assessment window, either for the Core Component or the Occupational Specialist Component, as outlined in our Key Dates Schedule.

For the first attempt for the Core Component, you will need to make an entry for **both** the Core Examinations **and** the Employer Set Project in the same window (i.e. May/June **or** November).

For a resit, students can take the Core Examinations and/or the Employer Set Project in a separate window. Therefore, you will need to make an entry for the window you require the student to resit the assessment in.

For the Occupational Specialist Component, you will need to make an entry for the window the student wishes to sit the assessment in.

Resit arrangements

As per the Ofqual Technical Qualification Handbook, there is no specific resit window permitted. However, students will be able to resit in any assessment window following their first sitting.

Students may resit:

- to improve grades
- the Core Examinations
- the Employer Set Project
- the assessments for an occupational specialism, or
- any combination of these.

Where a student fails one of the Core Examinations, they must resit both exams and must do so in the same assessment window.

However, where a student must resit both the Core Examinations and the Employer Set Project, they do not need to retake both sets of assessments in the same assessment window. For clarity, where a student resits the Core Examinations, he or she is not required to retake the Employer Set Project, and vice versa.

In order to access a resit opportunity, you will need to make an entry for the window you require the student to resit the assessment in; see *Student assessment entry* above. Resits can take place up until two academic years after the end of the final academic year for the cohort within which the relevant student is included.

Access to qualifications and assessments for students with disabilities or specific needs

Assessments need to be administered carefully to ensure that all students are treated fairly, and that results are issued on time to allow students to progress to their chosen progression opportunities.

Equity and fairness are central to our work. Our *Equality, Diversity and Inclusion* policy requires that all students should have equitable opportunity to access our qualifications and assessments, and that our qualifications are awarded in a way that is fair to every student. We are committed to making sure that:

- students with a protected characteristic (as defined by the Equality Act 2010) are not, when they are undertaking one of our qualifications, disadvantaged in comparison to students who do not share that characteristic
- all students achieve the recognition they deserve for undertaking a qualification, and that this achievement can be compared fairly to the achievement of their peers.

For students with disabilities and specific needs, the assessment of their potential to achieve the qualification must identify, where appropriate, the support that will be made available to them during delivery and assessment of the qualification. Please see information below on reasonable adjustments and special consideration.

Further information on access arrangements can be found in the Joint Council for Qualifications (JCQ) document *Access Arrangements, Reasonable Adjustments and Special Consideration for General and Vocational Qualifications*.

Special requirements

Some students may have special needs during their learning and Technical Qualification assessments. In such cases, providers can apply for special requirements on their behalf.

We have a dedicated webpage for [Special Requirements](#). This includes:

- reasonable adjustments
- access arrangements
- special consideration
- modified formats.

Reasonable adjustments to assessment

The Equality Act 2010 requires an awarding organisation to make reasonable adjustments where a student with a disability would be at a substantial disadvantage in undertaking an assessment.

To ensure students have fair access to demonstrate the requirements of the assessments, a reasonable adjustment is one that is made before a student takes an assessment. In most cases, this can be achieved through a defined time extension or by adjusting the format of evidence. We can advise you if you are uncertain as to whether an adjustment is fair and reasonable. You need to plan for time to make adjustments if necessary.

We have a dedicated webpage for [reasonable adjustment](#) where Providers can learn more about the process and apply on behalf of a student.

Reasonable adjustments can help reduce the effects of a disability or difficulty that puts the student at a substantial disadvantage in an assessment, in order to enable them to demonstrate their knowledge, understanding, skills and behaviours to the level of attainment required.

Providers can access the *Application of Reasonable Adjustment for Technical Qualifications* via our dedicated webpage. The provider's application must be made in line with the policy and a copy of their application must be retained.

Access arrangements

We also have a dedicated webpage for access arrangements, where providers can learn more about arrangements available for students with special needs. Access arrangements aim to meet the needs of an individual student without affecting the integrity of the assessment.

Access arrangements allow students to show what they know and do without changing the integrity or the demands of the assessment, for example by using a reader or scribe. Access arrangements are approved before an examination or assessment, and they allow students with special educational needs, disabilities, or temporary injuries to access the assessment.

Special needs could include students:

- with known and long-standing learning difficulties
- with physical disabilities (permanent or temporary)
- with sensory impairment
- whose first language is not English
- who have difficulties at or near the time of assessment that may affect their performance in the assessment.

For more information about access arrangements, we suggest Providers refer to the JCQ booklet *Access Arrangements, Reasonable Adjustments*.

Special consideration

A student's assessment performance can sometimes be affected by circumstances out of their control. Special consideration is a post-examination adjustment that compensates students who were suffering from a temporary illness or condition, or who were otherwise disadvantaged at the time of the Technical Qualification assessment.

Exams officers may apply for special consideration on a student's behalf. We have a dedicated webpage for [special consideration](#). This includes an FAQ fact sheet giving Providers answers to any questions or concerns they may have.

Special consideration will adhere to the following:

- There are general guidelines for special consideration in the JCQ booklet *A guide to the special consideration process*. It covers the process that is applied consistently by all awarding organisations. AOs will not enter into discussion with students or their parents as to how much special consideration should be applied.
- Special consideration cannot be applied in a cumulative fashion, i.e. because of a domestic crisis at the time of the exam and the student suffering from a viral illness.
- Private students should liaise with the Provider where entries have been made, so that they can apply for special consideration on the private student's behalf.

Dealing with malpractice in assessment

We adhere to the JCQ document *Suspected Malpractice in Examinations and Assessments* in our approach to investigating potential malpractice or breaches of security. These procedures are in line with the Ofqual Conditions of Recognition. All allegations of potential malpractice are investigated, and sanctions imposed where malpractice is proven.

We have two dedicated webpages concerning malpractice:

- The first gives providers guidance on how to let us know about anything suspicious or incidents of malpractice, in accordance with JCQ regulations.
- The second gives students' information about what malpractice is and how to report it.

What does malpractice mean?

Malpractice means acts that undermine the integrity and validity of assessment, the certification of qualifications, and/or that may damage the authority of those responsible for delivering the assessment and certification.

Pearson does not tolerate actions (or attempted actions) of malpractice by students, provider staff or Providers in connection with Pearson qualifications. Pearson may impose penalties and/or sanctions on students, provider staff or Providers where incidents (or attempted incidents) of malpractice have been proven.

Malpractice may arise or be suspected in relation to any unit or type of assessment within the qualification. For further details regarding malpractice and advice on preventing malpractice by students, please see Pearson's *Provider guidance: Dealing with malpractice and maladministration in vocational qualifications*, available on our [website](#).

Providers are required to take steps to prevent malpractice and to investigate instances of suspected malpractice. Students must be given information that explains what malpractice is for internal assessment and how suspected incidents will be dealt with by the Provider. The *Provider guidance: Dealing with malpractice and maladministration in vocational qualifications* document gives comprehensive information on the actions we expect you to take.

Pearson may conduct investigations if we believe that a Provider is failing to conduct the assessments according to our policies. The above document gives further information and examples and details the penalties and sanctions that may be imposed.

In the interests of students and Provider staff, providers need to respond effectively and openly to all requests relating to an investigation into an incident of suspected malpractice.

Student malpractice

Student malpractice refers to any act by a student that compromises or seeks to compromise the process of assessment, or which undermines the integrity of the qualifications or the validity of results.

Student malpractice in examinations **must** be reported to Pearson using a *JCQ Form M1* (available at www.jcq.org.uk/exams-office/malpractice). The form should be emailed to studentmalpractice@pearson.com. Please provide as much information and supporting documentation as possible. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice constitutes staff or Provider malpractice.

Tutor/provider malpractice

Providers are required to inform Pearson's Investigation Team of any incident of suspected malpractice by staff before any investigation is undertaken. Providers are requested to inform the Investigation Team by submitting a JCQ M2(a) form (downloadable from www.jcq.org.uk/malpractice) with supporting documentation to pqsmalpractice@pearson.com.

Where Pearson receives allegations of malpractice from other sources (for example, Pearson staff or anonymous informants), the Investigation Team will conduct the investigation directly or may ask the provider to assist.

Incidents of maladministration (accidental errors in the delivery of Pearson qualifications that may affect the assessment of students) must also be reported to the Investigation Team using the same method.

Heads of Providers/Principals/Chief Executive Officers or their nominees are required to inform students and Provider staff suspected of malpractice of their responsibilities and rights; see 6.15 of *JCQ Suspected Malpractice in Examinations and Assessments Policies and Procedures*.

In cases of suspected malpractice, Pearson reserves the right to withhold the issuing of results while an investigation is in progress. Depending on the outcome of the investigation, results may be released or withheld.

We reserve the right to withhold results when undertaking investigations, audits, and quality assurance processes. You will be notified within a reasonable period of time if this occurs.

Results transfer to Providers

To ensure you are supported, we will communicate with you on and before results day. Results day will follow the format below:

Assessment window	Results day
Summer 2023	August 2023 (Level 3 results day)
November 2023	January/February 2024

As we are not required to issue Technical Qualification certificates, T Level certificates or T Level statements of achievement, we will not require you to complete any forms or processes to claim the Technical Qualification from Pearson. Instead, we will issue the results directly to you.

We will make available:

- Scorecards: outlining the achievement in percentage terms against each Assessment Objective
- Results Plus: a service whereby achievement will be presented in an item-by-item format. This means providers will be able to ascertain trends across and within cohorts, and clearly label the associated Assessment Objective
- Statement of Provisional Results: we will offer a provisional component result slip, clearly watermarked as a provisional component result.

Post-Results Services

Our Technical Qualification post-results services (PRS) and appeals will be implemented in line with Ofqual requirements, paying particular attention to the *Rules and Guidance for Technical Qualifications*, where sections Ofqual TQ13–23 refer to post-results activities, 'Review of Marking or Moderation' (RoMM) or Appeals.

We will provide the following:

- access to student assessment evidence
- appeal
- clerical checks
- expedited review of marking
- review of marking.

Our [post-results services](#) webpage will include all the necessary information for you to access the services for the T Level Technical Qualification. There will also be a specific *T Level Technical Qualification Post-Results Service Guide* for Providers to use following our first live assessment series in 2021. This information should be used alongside the *JCQ Post-Results Service Guide*.

PRS will be available after each assessment opportunity. Exams Officers will be able to apply for PRS via our online system; however, you must have permission from the student before applying. If a student wishes to apply for PRS they must do so via their Provider. We state within the PRS guidance on our website that we cannot accept appeals directly from students, their parents or other third parties acting on their behalf.

In addition, our unique Results Plus service and a free Access to Scripts service will be available, so that Providers are able to transparently see how marks are awarded.

Appeals process

Our appeals process for the Technical Qualification will reflect industry standards, as outlined by the relevant Ofqual Condition(s) (TQ17–TQ22) relating to appeals.

You will be able to appeal the outcome of marking, decisions made regarding reasonable adjustments or special consideration tariffs applied, and any consequence of malpractice or maladministration investigations by us or other Technical Qualification AOs.

All our investigations will be conducted in accordance with the *JCQ General and Vocational Qualifications Suspected Malpractice in Examinations and Assessments Policies and Procedures*.

7. Provider recognition and approval

Introduction

Our Provider Approval Process and criteria have been developed in collaboration with other awarding organisations offering Technical Qualifications to ensure you have a seamless experience across awarding organisations when requesting approval to deliver the Technical Qualification.

Approving Eligible Providers as Approved Providers

Eligible Providers, i.e. those who submitted an Intention to Teach and have been approved by the DfE to deliver T Levels, will be required to seek approval from Pearson for each Technical Qualification they wish to deliver. They will do this by completing **one** of the two Provider Application forms:

- T Level Technical Qualification Delivery Approval Application Form
- Pearson UK Vocational Provider Approval Application for T Level Technical Qualifications.

The first form is for existing vocational Pearson centres to gain approval to deliver the Technical Qualification.

The second form is for non-vocational Pearson centres, i.e. centres not delivering any other vocational Pearson qualification. These are **new** Providers applying for centre approval to deliver vocational qualifications and the T Level Technical Qualification.

Completing your Provider Approval Application

To support you, a short Provider Approval video can be found in our Engagement Hub. Please watch this first before starting your application process.

All the supporting documents and approval forms can be found in the Course Materials tab, this includes:

- A Guide to Provider Approval
- Guidance Document Pearson Vocational Provider Approval Application for T Level Technical Qualifications
- Pearson T Level Technical Qualification Delivery Approval Application Form
- Pearson Vocational Provider Approval Application for T Level Technical Qualifications.

In addition, we will also support you in the following ways:

- phone support via our Approvals Team
- on-boarding training via Provider Support.

If you have any questions about Provider Approval, please contact us via the [service portal](#).

Provider and Technical Qualification approval

As part of the approval process, you must make sure that the resource requirements listed below are in place before offering the qualification:

- Providers must have appropriate physical resources (for example, equipment, IT, learning materials, teaching rooms) to support the delivery and assessment of the qualification.
- There must be systems in place to ensure continuing professional development for staff delivering the qualification.
- Providers must have in place appropriate health and safety policies relating to the use of equipment by students.
- Providers must deliver the qualification in accordance with current equality and diversity legislation and/or regulations.
- Providers should refer to the Resources for delivery of content section in the components to check for any specific resources required.
- Administration arrangements, including security of live assessments, must be in place.

The methods we use to ensure Providers have the above resources in place include:

- Making sure that all Providers complete appropriate declarations at the time of approval.
- Undertaking approval visits to Providers.
- An overarching review and assessment of a Provider's strategy for delivering and quality assuring its technical qualifications.

Providers that do not comply with remedial action plans may have their approval to deliver qualifications removed.

What level of sector knowledge is needed to teach this qualification?

We do not set any requirements for tutors but recommend that Providers assess the overall skills and knowledge of the teaching team to ensure that they are relevant and up to date. This will give students a rich programme to prepare them for employment in the sector.

Providers should refer to the *Resources for delivery of* section in the components to check for any knowledge and skills that will be beneficial to the delivery of the programme.

What resources are required to deliver this qualification?

As part of your Provider Approval, you will need to show that the necessary material resources and workspaces are available to deliver this technical qualification. Where specific resources are required to deliver the content, these are stated in the relevant component.

Providers should refer to the *Resources for delivery of content* section in the components to check for any specific resources required.

Quality assurance for the delivery of the Technical Qualification

All Providers will be subject to the same level of scrutiny for the delivery of the Technical Qualification.

We will monitor you throughout the delivery of the contract. This is to ensure you have appropriate and consistent quality assurance measures in place for the delivery of the Technical Qualification, and to ensure that you maintain ongoing compliance with our quality assurance measures to retain your approval status.

To maintain ongoing quality, give support and monitor standards, you will receive a termly phone call, and support visit if necessary, from a Provider Quality Manager (PQM). The PQM will check the quality of delivery, confirm implementation of guide/grade exemplification materials, and confirm you are on track for assessment and are accessing our Provider Support.

We will monitor the following activity that could impact approval status:

- registration patterns
- student outcomes
- quality issues identified by our PQM
- reports of maladministration or malpractice.

The PQM will identify any concerns during the termly phone call, provide support and escalate as required. In order to resolve any issues you may have in meeting our quality assurance measures, the PQM will create an action plan with goals and timescales and support you through the process. If you do not make adequate progress against the action plan, we will notify the Institute of our intention to remove approval status.

Live assessment monitoring

Each assessment in the Technical Qualification is set and marked by Pearson.

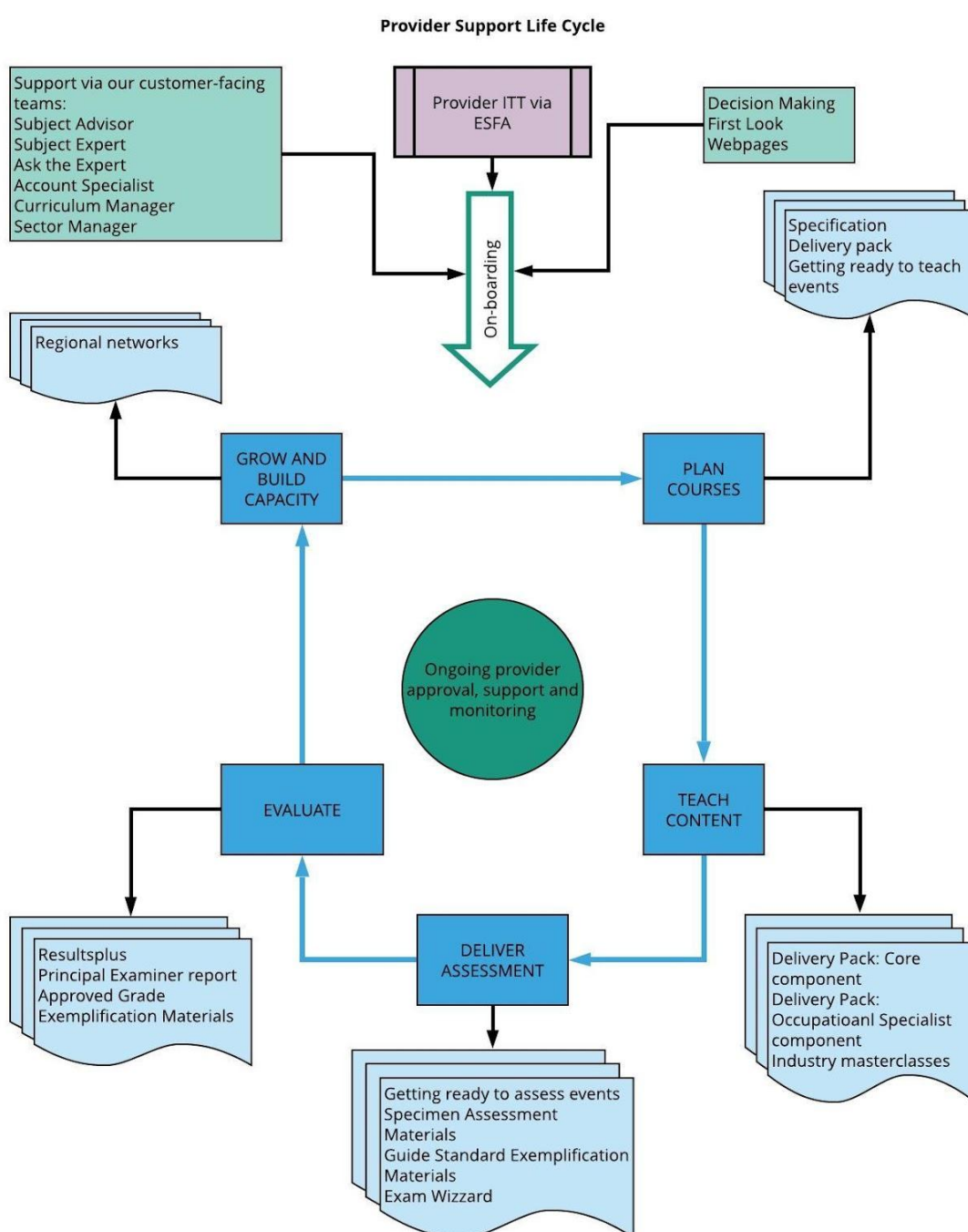
The Core Examinations and the Employer Set Project will be sat under exam conditions, following *JCQ's ICE guidance*.

The Occupational Specialist project has different controls depending on the tasks being undertaken by the student. Therefore, full detail of student monitoring will be provided within the assessment materials; these will be published on our T Level webpage before the assessment window commences.

8. Resources and support

The Technical Qualification represents a significant change. It will change how you recruit students, who teaches the occupational specialism, how you incorporate the industry placement, and how you teach and prepare students for external assessment. We will create a range of bespoke support for admin/exams officers, tutors, and students that accounts for the step-change the reforms are looking to make in teaching and learning technical skills.

Our aim is to give you support centred on the assessment life cycle, to enable you to deliver the Technical Qualification with confidence. Our support will be in a diverse range of formats including editable documents, videos, recorded modules, live webinars, and face-to-face events, and housed on our Technical Qualification website that is open and easy to find.



Teaching, learning and assessment materials

1. Plan

- Specification: content elaboration, guidance, and support.
- Onboarding materials: provider journey from initial enquiry through to results.

2. Teach

- Core Delivery Pack: topic guides with introductory PowerPoints and activities, industry links and mapping to assessment.
- Occupational Specialist Delivery Pack: an industry project designed with our EVP to enable holistic delivery of the occupational specialism to enhance student experience and prepare for synoptic assessment; used 'off the shelf' or adapted for local or student needs.

3. Assess

- Specimen Assessment Materials (SAMs).
- Guide Standard Exemplification Materials (GSEM).

4. Evaluate

- Principal examiner (PE) report for each component: commentary on performance, including Approved Grade Standard Exemplification Materials.

Provider training

Our training will incorporate the above teaching, learning and assessment materials and allow for an in-depth look at content, pedagogy, and assessment, providing an opportunity for you to network, share ideas and unpick common issues.

The events are targeted at a variety of roles and fit into the Provider journey as follows:

1. Plan

- Admin/Exams Officer: set-up and support on administrative, technical or operational matters.
- Getting started: first look at Technical Qualification specification.
- Getting Ready to Teach: planning, using the support materials, exploring teaching strategies, external and synoptic assessment.

2. Teach

- Half-termly Question and Answer Networks: webinar with our Sector Manager and Subject Advisor, live chat to ask questions, gain clarification and collaborate.
- Industry masterclasses designed and delivered with our EVP: to improve depth of understanding of industry topics.

3. Assess

- Getting Ready to Assess: understanding the standard using GSEM and mark schemes, how to plan, schedule and deliver assessment – including resources and controls.

4. Evaluate

- Feedback: examiner feedback and implications for future delivery; demonstrating Exam Wizard and ResultsPlus (see below) to support teaching and exam preparation.

Preparing students for external assessment will be new to many tutors. The following two services are unique to Pearson, have proved very popular and will be available for free.

- Exam Wizard is an exam-paper creation tool that allows you to create mock exams and topic tests from a database of sample questions and papers, as well as past papers. Tutors specify the type of assessment they want and a bespoke test with mark scheme and examiner report is created for students to use as practice.
- ResultsPlus is a post-results data analysis tool. It gives item-level analysis by student, class, cohort, or cluster of Providers. This allows the user to pinpoint areas of strength and weakness, and to amend teaching and learning to improve student outcomes and motivation.

Provider contact

In addition to the bespoke area of our website, which is located [here](#), we will also offer a personal, easy-to-access and expert service via the following:

- Customer Service Account Specialist: named contact for admin/exams officer on administrative or operational matters via phone or email.
- Subject Advisor: named contact for teaching and delivery questions via phone, email, live chat, Facebook, Twitter; provides monthly news promoting support, training and updates.
- Ask the Expert: email address to ask complex or specialist questions relating to content, delivery and assessment.
- Curriculum Development Managers: regional staff who will promote the Technical Qualification, support onboarding and facilitate network events.
- Sector Manager: collect feedback from providers and employers to identify improvements to our support and services.

Our [T Levels Support](#) webpage gives you all the contact details to support you.

This includes our:

- Pearson Support Portal
- email addresses for administration and teacher support
- call centre, which is open between 8am and 5pm
- postal address.

Appendix 1: General Competency Frameworks for T Levels

The General Competency Framework for T Levels articulates English, maths and digital competencies that students are required to develop over the course of the qualification. The tables below list the competencies from the framework that are relevant to the *T Level Technical Qualification in Accounting*. The skills in grey are not relevant.

Competencies that can be developed in relation to a specification element of content are referenced in the column next to this content element in the occupational specialism. These competencies should be delivered through the content of this qualification and tutors should seek opportunities to allow students to develop the relevant skills to enable them to reach threshold competence in the specialism.

The English, maths and digital competencies are embedded in both the Core Component and the Occupational Specialist Component of the *T Level Technical Qualification in Accounting*. This is so that students can demonstrate their knowledge and understanding of these skills over the course of the qualification.

General English competencies

E1	Convey technical information to different audiences
E2	Present information and ideas
E3	Create texts for different purposes and audiences
E4	Summarise information/ideas
E5	Synthesise information
E6	Take part in/leading discussions

General maths competencies

M1	Measure with precision
M2	Estimate, calculate and spot errors
M3	Work with proportion
M4	Use rules and formulae
M5	Process data
M6	Understand data and risk
M7	Interpret and represent with mathematical diagrams
M8	Communicate using mathematics
M9	Cost a project
M10	Optimise work processes

General digital competencies

Students should be supported to develop the digital knowledge and skills needed in order to:

D1	Use digital technology and media effectively
D2	Design, create and edit documents and digital media
D3	Communicate and collaborate
D4	Process and analyse numerical data
D5	Be safe and responsible online
D6	Code and program

Appendix 2: Glossary of International Accounting Standards terminology

The following is a glossary of the comparison between the International Accounting Standards (IAS) terminology and the UK GAAP (Generally Accepted Accounting Practice in the UK) terminology. These terms are generally used throughout the content.

Centres should be aware that these terms are also referred to as International Finance Reporting Standards (IFRS), in certain contexts within the industry; however, the definitions and meaning remain the same.

IAS terminology	Previously used UK GAAP terminology
Financial statements	Final accounts
Statement of profit or loss/income statement	Trading and profit and loss account
Revenue	Sales
Raw materials/ordinary goods purchased	Purchases
Cost of sales	Cost of goods sold
Inventory	Stock
Work in progress	Work in progress
Gross profit	Gross profit
Other operating expenses	Sundry expenses
Allowance for doubtful debt	Provision for doubtful debt
Other operating income	Sundry income
Investment revenues/finance income	Interest receivable
Finance costs	Interest payable
Profit for the year before tax or after tax	Net profit
Retained earnings	Profit/loss balance
Statement of changes in equity (limited companies)	Appropriation account
Statement of financial position	Balance sheet

Non-current assets	Fixed assets
Property	Land and buildings
Plant and equipment	Plant and equipment
Investment property	Investments
Intangible assets	Goodwill etc.
Current assets	Current assets
Inventory	Stock
Trade receivables	Debtors
Other receivables	Prepayments
Cash and cash equivalents	Bank and cash
Current liabilities	Current liabilities/creditors: amounts due within 12 months
Trade payables	Creditors
Other payables	Accruals
Bank overdraft and loans	Loans repayable within 12 months
Non-current liabilities	Long term liabilities/creditors: amounts falling due after 12 months
Bank (and other) loans	Loans repayable after 12 months
Capital or equity	Capital
Share capital	Share capital
Statement of cash flows	Cash flow statement
Other terms	
Inventory count	Stock take
Carrying value	Net book value

