



IAB LEVEL 1 AWARD in COMPUTERISED ACCOUNTING FOR BUSINESS (QCF)

(Qualification Accreditation Number **500/9404/X**)

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QUALIFICATION SPECIFICATION

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Level 1 Award in Computerised Accounting for Business (QCF)

1 Introduction

This qualification is part of the Qualification and Credit Framework (QCF), which became fully operational in September 2010. Qualifications within the framework are made up of units and each unit is given a credit value, where one credit represents 10 hours of learning time. The title of every qualification within the new framework will contain details of the size (award/certificate/diploma), level of difficulty (Entry to level 8) and general content of the qualification.

It is anticipated that the majority of providers engaging with the QCF will be in a position to obtain a Unique Learner Number (ULN) and this should have been evidenced through the completion of the IAB Supplementary QCF accreditation of centres Application Form. It is a condition of operating within the QCF that this document has been fully completed and accepted by the IAB, for any QCF qualifications which have been publically funded. This will confirm that providers are in a position to generate a ULN, which in turn will allow the successful completion of any QCF unit or qualification to be transferred to each individual Personal Learner Record. A key aim of the Personal Learner Record is to improve the flow of information about learners from schools to other education providers and ultimately employers, leading to more effective data sharing and better decision making.

Once the course fees have been paid and the learner registered, they will get a full copy of the latest version of Sage 50 Accounts Professional, which will be time limited for them to use for the duration of their course. This means the learner can work at home and ensures they are up to date with the latest software developments.

The learner will also receive a Sage/IAB workbook that covers the full course. The workbook includes not only the practical work using Sage software, but also the underpinning bookkeeping knowledge to cover the learning required for coverage of the knowledge units. There are an abundance of screen shots from the software, so they can see what processes they should be doing and how that relates to accounting standards.

Learners studying without being attached to an IAB accredited training centre should contact the IAB for further information.

2 Aims

In summary, the IAB Level 1 Award in Computerised Accounting for Business aims to:

- 1 Act as an introduction to financial record keeping using Sage accounting software.
- 2 Give candidates the necessary skills to assess their own competence in carrying out a range of basic day-to-day computerised accounting routines and activities using Sage software. The activities will include entry of business transactions, and routine basic bookkeeping tasks.
- 3 To assess their understanding of the importance of maintaining accuracy, security and data integrity in performing any bookkeeping tasks using Sage software as their computerised accounting system.
- 4 Give candidates a greater understanding of the capabilities of the software and how it can enable better financial management and control of a business
- 5 Enable candidates to progress in their learning to further develop their knowledge, understanding and skills of dealing with financial transactions by:
 - To gain a Sage competence certificate at this level
 - Completing the units necessary to receive the Level 1 Award in Bookkeeping
 - Undertaking further studies of bookkeeping and accounting routines, both manually and using Sage software, at Level 2
- 6 Give candidates the option of undertaking further units at Level 2 to enhance their understanding of the professional ethics of bookkeeping and the necessary legislation, at that Level and to gain underpinning knowledge of maintaining a double entry bookkeeping system.

3 Links to National Occupational Standards

Direct relationship based on NOS for Accountancy and Finance PS-1, FA-1 and FA-2

4 Target groups

The IAB Level 1 Award in Computerised Accounting for Business is aimed at individuals who wish to begin their studies of computerised accounting within a working business

environment and gain an entry level qualification at Level 1 of the National Framework from a point of no previous knowledge. It could also be used by those candidates who have some practical knowledge and skills and wish to gain an accredited qualification in the subject.

Owners of small businesses may also find this qualification useful as it gives coverage of the basic use of Sage software, suitable for the production of small business accounts.

With the additional units it will also help small businesses understanding how the computerised accounting system works within a double-entry bookkeeping environment and aid better financial management of the business.

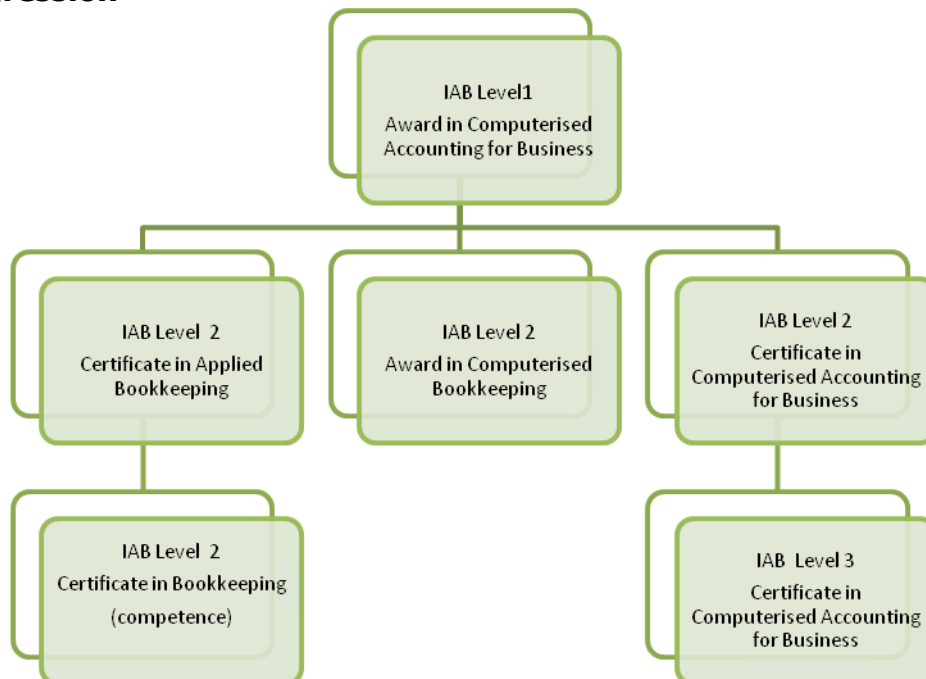
5 Statement of level

This is a level 1 qualification as defined within the regulations of the Qualification and Credit Framework.

6 Entry requirements

There are no formal entry requirements for the level 1 Award in Computerised Accounting for Business. However it is recommended that prospective candidates will already have basic skills in both numeracy and literacy prior to embarking on a course of study for this qualification.

7 Progression



8 Qualification Structure

To achieve this qualification, only the **mandatory** units consisting of 6 credits must be achieved. The additional option units are provided purely as a progression opportunity, but are not a compulsory element of the qualification. The accreditation number, level and credit value of each unit is as follows:

Mandatory units

Introduction to bookkeeping – M/600/8737 (level 1 – 1 credit)

Working within Bookkeeping - T/600/8738 (level 1 – 2 credits)

Banking procedures - A/600/8739 (level 1 – 1 credit)

Computerised Accounting Software – F/502/4401 (level 1 – 2 credits)

Option units

Principles of recording and processing financial transactions - A/600/8756 (level 2 – 2 credits)

Professional values and basic business legislation - F/600/8757 (level 2 – 1 credit)

9 Assessment and Grading

It is anticipated that this qualification will be undertaken within the work place and if this is the case then the assessment will be work based. However, it is possible for this qualification to be taken within the classroom environment and as such assessment can consist of knowledge tests and simulation exercises. The IAB will provide any knowledge tests and simulation exercises can be extracted from the Sage/IAB resources which are provided on registration for the qualification with the IAB. Learners will also have access to a learner evidence and assessment log. This document includes details of all the units and their respective Learning Outcomes and Assessment Criteria and must be completed through either a portfolio of evidence or a combination of knowledge tests and a portfolio.

It is the responsibility of the accredited centre to appoint a professionally competent Assessor/Tutor to ensure that there is sufficient evidence to cover all the Learning Outcomes and associated Assessment Criteria for all the units which are needed to pass the qualification. It is not necessary for the Assessor/Tutor to hold a recognised Assessor award.

On successful completion of the units for this qualification, it is expected that the centre will engage in internally verifying the portfolios of evidence and knowledge tests (if

applicable) and be prepared to forward to the IAB at least 20% of the completed work for external moderation

Internal verification of knowledge tests and portfolios

It is the responsibility of the accredited centre to appoint a suitably experienced and qualified person to act as the internal verifier. It is not necessary for this individual to hold a recognised Assessor or Internal Verifier award. The IAB do need to be assured that at least 25% of assessment has been internally moderated and in any batch of portfolios or knowledge tests forwarded for external moderation, the IAB would expect to see some evidence of internal verification.

External moderation of knowledge tests and assignments

It is the responsibility of each centre to choose a cross section of portfolios and knowledge tests (if applicable) for moderation by the IAB. The IAB would expect to see a mix of completed assessments which are representative of the overall quality from that particular group of learners. If the centre has any doubt about which portfolios (and knowledge tests) to send for external moderation they should contact the Education Department of the IAB.

The units for this qualification are assessed through the following methods:

Unit	Assessment
Mandatory	
Introduction to bookkeeping	Knowledge tests or work based evidence
Working within bookkeeping	
Banking procedures	
Computerised Accounting Software	Simulation or work based evidence
Option (additional and not required to obtain the qualification)	
Principles of recording and processing financial transactions	Knowledge tests or work based evidence
Professional values and basic business legislation	

To successfully complete the qualification the candidate must pass each of the above **Mandatory** elements of assessment with all units being graded as Pass or Fail. It is the assessor's responsibility to ensure that there is sufficient evidence for all the Assessment Criteria to be covered and this will be confirmed through Internal Verification and External Moderation. Should any of the knowledge tests be undertaken then a minimum of 70% is required to pass.

Successful completion of the 2 option units will not affect the award of the qualification, but these units will be transferred to the Personal Learner Record (if applicable) and can be used against other qualifications including the IAB level 2 Certificate in Computerised Accounting for Business.

10 Certification

On successful completion of all the mandatory units listed above, the learner will receive a certificate to confirm the achievement of the Level 1 Award in Computerised Accounting for Business (QCF). The certificate will include the full name and accreditation number of the qualification and the award of pass.

Learners may request a certificate for the successful completion of each unit of the qualification on payment of a unit certificate fee. The certificate will include the full title and accreditation number of the unit, the credit value and level of the unit.

The learner will also receive a certificate from Sage confirming their competence in the use of Sage accounting at level 1.

The award of credit and the successful completion of the accredited qualification will be transferred to an individual's Personal Learner Record, if applicable.

11 Reasonable Adjustments and Special Consideration policy and procedure

Please refer to the IAB web site www.iab.org.uk for a copy of this policy and procedure or contact the Education Department of the IAB.

12 Enquiries and Appeals procedure

Please refer to the IAB web site www.iab.org.uk for a copy of this procedure or contact the Education Department of the IAB.

13 Units with Learning Outcomes and Assessment Criteria

Mandatory

INTRODUCTION TO BOOKKEEPING – M6008737	
Credit Value: 1	Level: 1
Learning Outcomes	Assessment criteria
1 Understand the job role and career path for a bookkeeper	1.1 Outline the job role of a book-keeper 1.2 Outline how the role of the book-keeper fits within the business organisation 1.3 Outline how bookkeeping can become a career pathway
2 Understand different types of business organisation	2.1 Give examples of different types of business organisation 2.2 Define the organisations known as <ul style="list-style-type: none"> • sole trader • partnership
3 Know the terminology used in bookkeeping	3.1 Identify the difference between a book-keeper and an accountant 3.2 Explain the correct use of two of the following (minimum) bookkeeping terms: <ul style="list-style-type: none"> • petty cash imprest system • sales • purchase • customer • supplier • receipt • payment • income • expenditure 3.3 State how two (minimum) of the following bookkeeping documents are used: <ul style="list-style-type: none"> • petty cash voucher • purchase order • invoice • credit note • statement of account • remittance advice

WORKING WITHIN BOOKKEEPING – T6008738**Credit value: 2 Level: 1**

Learning Outcomes	Assessment criteria
1 Understand single-entry bookkeeping	1.1 Explain single-entry bookkeeping 1.2 Outline the books used in single entry bookkeeping
2 Know the general principles of VAT	2.1 State when a business must register for VAT 2.2 State the various rates of VAT in general use: <ul style="list-style-type: none">• reduced rate• standard rate• exempt• zero rate
3 Understand what is meant by both cash and credit transactions	3.1 Explain what is meant by cash sales 3.2 Explain what is meant by cash purchase 3.3 Explain what is meant by trading on credit 3.4 Identify the various documents needed to record a credit sale or purchase
4 Understand the principles of coding and batch control	4.1 Explain why a coding system is used for financial transactions 4.2 Outline the use of batch control
5 Understand how to process information in the books of prime entry (excluding the Journal)	5.1 State where to find financial information for entry into the bookkeeping system 5.2 State where to enter relevant information in the books of prime entry (excluding the Journal) 5.3 Outline the need to cross check totals for accuracy
6 Understand responsibilities when working in a bookkeeping environment	6.1 Outline the responsibilities relating to security of data when dealing with customers, suppliers and other external agencies 6.2 Identify where to gain authorisation for expenditure and when dealing with queries related to various financial transactions

BANKING PROCEDURES – A6008739**Credit value: 1****Level: 1**

Learning Outcomes	Assessment criteria
1 Understand the banking process	1.1 Identify the main services offered by banks and building societies 1.2 Describe how the banking clearing system works 1.3 Identify different forms of payment which include: <ul style="list-style-type: none"> • cash • cheques • credit cards • debit cards • direct payments 1.4 Identify the information required to ensure the following payments are valid: <ul style="list-style-type: none"> • cash • cheque • credit card • debit card 1.5 Describe the processing and security procedures relating to the different forms of payments
2 Understand document retention and storage requirements.	2.1 Explain why it is important for an organisation to have a formal document retention policy 2.2 Identify the different types of documents that may be stored

COMPUTERISED ACCOUNTING SOFTWARE F5024401**Credit value: 2 Level: 1**

Learning Outcomes	Assessment criteria
1 Access, enter and edit accounting information	1.1 Identify the sources and characteristics of accounting data 1.2 Enter accounting data accurately into records to meet requirements 1.3 Locate and display accounting data records to meet requirements 1.4 Check data records meet needs using IT tools, making corrections as necessary

	<p>1.5 Identify the risks to data security and procedures used for data protection</p> <p>1.6 Follow local and/or legal guidelines for the storage and use of data</p>
2 Use tools and techniques to process business transactions	<p>2.1 Use appropriate tools and techniques to process Transactions</p> <p>2.2 Review the transaction process and identify any errors</p> <p>2.3 Respond appropriately to any transaction errors and problems</p>
3 Produce accounting documents and summary reports to meet requirements	<p>3.1 Identify what information is required and how to present it</p> <p>3.2 Generate accounting documents as required</p> <p>3.3 Generate management reports as required</p>

Option (additional and not required to obtain the qualification)

PRINCIPLES OF RECORDING AND PROCESSING BUSINESS TRANSACTIONS – A6008756 Credit value: 2 Level 2	
Learning Outcomes	Assessment criteria
1 Understand the role of the books of prime entry	<p>1.1 Outline the purpose, content and format of the books of prime entry</p> <p>1.2 Outline the purpose and content a range of business documents to include:</p> <ul style="list-style-type: none"> • petty cash voucher • invoice • credit note • remittance Advice <p>1.3 Identify when authorisation is required</p> <p>1.4 Explain how transactions are entered in the following books of prime entry:</p> <ul style="list-style-type: none"> • sales and sales returns day books • purchase and purchase return day books • cash book • petty cash book

<p>2 Understand the principles of coding</p>	<p>2.1 Describe the need for a coding system for financial transactions within a double entry book-keeping system</p> <p>2.2 Describe the use of coding within a filing system.</p>
<p>3 Understand the double entry bookkeeping system</p>	<p>3.1 State the accounting equation</p> <p>3.2 Explain how the accounting equation relates to a double entry book-keeping system</p> <p>3.3 Outline how the books of prime entry integrate with double entry book-keeping system</p> <p>3.4 Explain how to process financial transactions from the books of prime entry into the double entry book-keeping system</p> <p>3.5 Define, and distinguish between, capital income and capital expenditure.</p> <p>3.6 Define, and distinguish between, revenue income and revenue expenditure</p>
<p>4 Understand the various types of discount</p>	<p>4.1 Explain the difference between settlement, trade and bulk discount</p> <p>4.2 Describe the effect that settlement discount has on the sales tax (e.g. VAT) charged</p>
<p>5 Understand the use of the Journal</p>	<p>5.1 Describe the reasons for maintaining a Journal</p> <p>5.2 Describe the content and format of the Journal</p> <p>5.2 Give examples of the types of transactions that might be entered into the bookkeeping system by using the Journal:</p> <ul style="list-style-type: none"> • bad debts • wages/salaries • PAYE/NIC liability • opening balances
<p>6 Understand control accounts</p>	<p>6.1 Describe the purpose of control accounts as a checking device to aid management and help identify book-keeping errors</p> <p>6.2 Describe the specific purpose of the following control accounts:</p> <ul style="list-style-type: none"> • sales ledger • purchase ledger • sales tax account (e.g. VAT) <p>6.3 Explain why it is important to reconcile the Sales and Purchase ledger control accounts regularly</p> <p>6.4 Describe the usefulness of an aged debtor analysis for monitoring debtors</p> <p>6.5 Explain the need to deal with discrepancies quickly and professionally</p>

PROFESSIONAL VALUES AND BASIC BUSINESS LEGISLATION - F6008757
Credit value: 1 Level: 2

Learning Outcomes	Assessment criteria
<p>1 Understand the importance of Integrity and professionalism</p>	<p>1.1 Explain why each of the following professional values is important to a book-keeper:</p> <ul style="list-style-type: none"> • confidentiality • security of data • competency • duty of care • integrity <p>1.2 Explain why it is important for a book-keeper to comply with the Code of Ethics of a professional body</p>
<p>2 Understand that legislation exists relating to the workplace</p>	<p>2.1 Explain the importance of maintaining security over computerised and manual information held on individuals or businesses</p> <p>2.2 Identify and describe principles of data protection including:</p> <ul style="list-style-type: none"> • adequate, relevant and not excessive • not kept longer than necessary • not transferred to countries without adequate data protection laws <p>2.3 Describe the main duties and responsibilities of employers and employees under health and safety legislation</p>
<p>3 Know the fundamental principles of money laundering legislation</p>	<p>3.1 Define the term 'money laundering'</p> <p>3.2 Give examples of offences under the money laundering regulations</p> <p>3.3 Outline the risks for book-keepers associated with the money laundering legislation</p> <p>3.4 Identify internal procedures that businesses can introduce to lessen risks</p> <p>3.5 Outline the requirements to report suspicions of money laundering to the appropriate authorities</p>