

# Level 2 Certificate in Accounting (7437-02)



**Qualification handbook for centres**  
501/0004/X

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[www.cityandguilds.com](http://www.cityandguilds.com)  
October 2010  
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# 1 Introduction to the qualification

This document contains the information that centres need to offer the following qualification:

<b>Qualification title and level</b>	<b>Level 2 Certificate in Accounting</b>
<b>City &amp; Guilds qualification number</b>	7437-02
<b>Qualification accreditation number</b>	501/0004 /X
<b>Last registration date</b>	30/06/2014
<b>Last certification date</b>	30/06/2016

The City & Guilds Level 2 Certificate in Accounting aims to provide opportunities for candidates to develop and evidence their practical skills, knowledge and competency in completing well defined day to day accounting tasks.

The qualification has been developed for candidates who are new to accounting, may already work in accounting or wish to develop their business support skills.

## **Contacting the Standard Setting Body**

The Financial Services Skills Council  
51 Gresham Street  
London  
EC2V 7HQ

Tel: 0845 257 3772

Website: [www.fssc.org.uk](http://www.fssc.org.uk)

## 1.1 Qualification structure

To gain the **Level 2 Certificate in Accounting**, learners must achieve:

### 24 credits from the 12 Mandatory Units

An additional unit may be taken (Unit 306 Professional ethics in accounting and finance). This unit is optional and is not a requirement for achieving the Level 2 Certificate in Accounting.

The table below illustrates the unit titles and the credit value of each unit.

City & Guilds Unit number	Mandatory units	Unit accreditation number	QCF Level	QCF Credit
7437-101	Banking procedures	A/600/8739	1	1
7437-102	Maintaining petty cash records	R/600/8746	1	1
7437-201	Provide Basic Cost and Revenue Information	D/600/4926	2	2
7437-202	Work Effectively in Accounting and Finance	L/600/4923	2	2
7437-203	Basic Principles of Costing	Y/600/4925	2	4
7437-204	Principles of recording and processing financial transactions	A/600/8756	2	2
7437-205	Processing ledger transactions and extracting a trial balance	F/600/8760	2	2
7437-206	Preparing and recording financial documentation	J/600/8758	2	2
7437-207	Maintaining Control Accounts	K/600/8770	2	1
7437-208	Maintaining and reconciling the cashbook	L/600/8759	2	2
7437-209	Maintaining the Journal	T/600/8772	2	2
7437-210	Computerised Accounting Software	J/502/4402	2	3
	<b>Optional unit</b>			
7437-306	Professional Ethics in Accounting and Finance	K/600/4962	3	3

## 1.2 Opportunities for progression

On completion of this qualification candidates may progress into employment or to the following City & Guilds qualifications:

- Level 3 Diploma in Accounting
- Apprenticeship in Accounting
- Awards, Certificates or Diplomas' in other work-related areas (for example Business Administration, Retail, Contact Centres, ITQ)

## 1.3 Qualification support materials

City & Guilds also provides the following publications and resources specifically for this qualification:

Description	How to access
Generic candidate recording forms	<a href="http://www.cityandguilds.com">www.cityandguilds.com</a>
Centre guide	<a href="http://www.cityandguilds.com">www.cityandguilds.com</a>
Promotional materials	<a href="http://www.cityandguilds.com">www.cityandguilds.com</a>



## 2 Centre requirements

### 2.1 Centre approval

This section outlines the approval processes for Centres to offer this qualification and any resources that Centres will need in place to offer the qualifications including qualification-specific requirements for Centre staff.

#### **Centres already offering City & Guilds qualifications in this subject area**

Centres approved to offer the qualification Level 2 NVQ in Accounting (7421-02) will be given automatic approval for the new Level 2 Certificate in Accounting (7437-02). Existing sanctions will apply to the new qualifications.

#### **Centres not already offering City & Guilds qualifications in this subject area**

To offer these qualifications, centres already approved to deliver City & Guilds qualifications will need to gain **qualification approval**. Please refer to Appendix 1 for further information.

#### **Centres not yet approved by City & Guilds**

To offer these qualifications, new centres will need to gain both **centre and qualification approval**. Please refer to Appendix 1 for further information.

### 2.2 Resource requirements

Centre staff may undertake more than one role, e.g. tutor and assessor or internal verifier, but must never internally verify their own assessments.

#### **Assessors, internal verifiers and external verifiers**

Centre staff should hold, or be working towards, the relevant Assessor/Verifier (A/V) units for their role in delivering, assessing and verifying this qualification. They must be able to demonstrate that they meet the following occupational expertise requirements. They should:

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

and have good interpersonal skills

## **Continuing professional development (CPD)**

Centres are expected to support their staff in ensuring that their knowledge remains current of the occupational area and of best practice in delivery, mentoring, training, assessment and verification, and that it takes account of any national or legislative developments.

### **2.3 Candidate entry requirements**

Candidates should not be entered for a qualification of the same type, content and level as that of a qualification they already hold.

There are no formal entry requirements for candidates undertaking this qualification. However, centres must ensure that candidates have the potential and opportunity to gain the qualification successfully.

### **Age restrictions**

There are no age limits attached to candidates undertaking the qualification unless this is a legal requirement of the process or the environment.

## 3 Course design and delivery

### 3.1 Initial assessment and induction

Centres will need to make an initial assessment of each candidate prior to the start of their programme to ensure they are entered for an appropriate type and level of qualification. The initial assessment should identify:

- any specific training needs the candidate has, and the support and guidance they may require when working towards their qualification. This is sometimes referred to as diagnostic testing.
- any units the candidate has already completed, or credit they have accumulated which is relevant to the qualification they are about to begin.

City & Guilds recommends that centres provide an induction programme to ensure the candidate fully understands the requirements of the qualification they will work towards, their responsibilities as a candidate, and the responsibilities of the centre. It may be helpful to record the information on a learning contract.

### 3.2 Recommended delivery strategies

Centre staff should familiarise themselves with the structure, content and assessment requirements of the qualification before designing a course programme. Centres may design course programmes of study in any way which:

- best meets the needs and capabilities of their candidates
- satisfies the requirements of the qualification
- considers the opportunity to deliver units together which contain some of the same, similar or complementary learning outcomes or assessment criteria
- considers the suitability, practicality and cost or time benefits of holistic teaching delivery wherever possible

When designing and delivering the course programme, centres might wish to incorporate other teaching and learning that is not assessed as part of the qualification. This might include the following:

- literacy, language and/or numeracy
- personal learning and thinking
- personal and social development
- employability

Where applicable, this could involve enabling the candidate to access relevant qualifications covering these skills.

## 4 Assessment

### 4.1 Summary of assessment methods

For this qualification, the following assessment techniques are acceptable:

- Workplace assessment
- Work-based assessment (workplace simulation)
- Oral presentation and questioning

#### Additional guidance

- Although individual Accounting units define specific learning outcomes and assessment criteria, it is not a requirement that the units be assessed individually
- Where two or more Accounting units within a qualification contain some of the same, similar or complementary learning outcomes or assessment criteria, it is acceptable and potentially desirable that such units are assessed together where practicable.

### 4.2 Workplace assessment and simulation

Assessment through observation of candidate performance on tasks naturally undertaken in the workplace should contribute to awards wherever appropriate and practicable. Workplace assessment may take various forms, but the methods adopted must allow learners to fully demonstrate their attainments against the assessment criteria.

**Work-based assessment** may be required in some instances in order to replicate, as closely as possible, the performance expected in employment. The simulation of tasks and activities normally undertaken in the workplace may be required to enable candidates to generate the quality of evidence that is required. This simulation may be computer-based where that closely resembles workplace practice.

The use of simulation will legitimately vary across occupational areas, reflecting employment realities:

- In accounting and closely related occupations, individuals are normally required to be qualified before they can be considered for the corresponding job. They also deal with confidential and personal information. Simulation is therefore frequently necessary in the interests of access to and the integrity of data
- In payroll administration, workplace evidence is strongly encouraged, though circumstances can arise where an element of simulation may be necessary, for example due to restrictions on the release of employee data
- Centres must **provide a clear, occupationally specific rationale whenever workplace simulation is included in particular assessment schemes. Centres must also ensure that the design and delivery of all simulations, whether centrally or locally managed, accord with the following principles:**
  - Content must be based on the QCF units under assessment
  - Performance must be assessed against the assessment criteria in the relevant QCF units.
- The conditions within which a simulation is deployed must resemble the up-to-date workplace as closely as is practicable. Attention must be paid to relevant legal requirements; the realism of the setting and any associated equipment; workplace and customer relationships; and the pace and intensity of work-related activity.

### **4.3 Evidence for assessment**

A portfolio of evidence which covers the assessment criteria for each unit or combination of units.

### **4.4 Recording forms**

Candidates and centres may decide to use a paper-based or electronic method of recording evidence.

City & Guilds has developed a set of *recording forms* including examples of completed forms, for new and existing centres to use as appropriate.

### **4.5 Time constraints**

The following time constraint must be applied to the assessment of this qualification:

- Assessment must be completed within the candidate's period of registration.

### **4.6 Recognition of prior learning (RPL)**

Recognition of Prior Learning (RPL) recognises the contribution a person's previous experience could contribute to a qualification.

RPL is allowed for this qualification and is not sector specific

## 5 Units

### Availability of units

The Accounting units for this qualification follow.

The learning outcomes and assessment criteria are also viewable on the Register of Regulated Qualifications <http://register.ofqual.gov.uk>

### Structure of units

The units in this qualification are written in a standard format and comprise the following:

- City & Guilds reference number
- unit accreditation number
- title
- level
- credit value
- unit aim
- relationship to NOS, other qualifications and frameworks
- endorsement by a Sector Skills Council (SSC)
- information on assessment
- learning outcomes which are comprised of a number of assessment criteria

# Unit 101            Banking procedures

**Level:**                1  
**Credit value:**     1  
**NDAQ number:**   A/600/8739

## **Unit aim**

The purpose of this unit is to develop the learners' knowledge and understanding of the UK banking system and organisational activities and procedures related to banking

## **Learning outcomes**

There are **two** learning outcomes to this unit. The learner will be able to:

1. Understand the banking process
2. Understand document retention and storage requirements

## **Guided learning hours**

It is recommended that 6 hours should be allocated for this unit, although patterns of delivery are likely to vary.

## **Details of the relationship between the unit and relevant national standards**

This unit based on the FSSC NOS for Accountancy and Finance Unit FA-3.

## **Support of the unit by a sector or other appropriate body**

This unit is endorsed by the FSSC.

## **Assessment**

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## Unit 101

### Outcome 1

## Banking procedures

### Understand the banking process

#### Assessment Criteria

The learner can:

1. Identify the main services offered by banks and building societies
2. Describe how the banking clearing system works
3. Identify different forms of payment which include:
  - cash
  - cheques
  - credit cards
  - debit cards
  - direct payments
4. Identify the information required to ensure the following payments are valid:
  - cash
  - cheque
  - credit card
  - debit card
5. Describe the processing and security procedures relating to the different forms of payments.



## **Unit 101**

### Outcome 2

## **Banking procedures**

Understand document retention and storage requirements

### **Assessment Criteria**

The learner can:

1. Explain why it is important for an organisation to have a formal document retention policy
2. Identify the different types of documents that may be stored

## Unit 102

## Maintaining petty cash records

**Level:** 1

**Credit value:** 1

**NDAQ number:** R/600/8746

### Unit aim

For the learner to have a clear understanding of the principles and procedures related to the processing of petty cash transactions and the maintenance of the petty cash float known as the imprest.

### Learning outcomes

There are **three** learning outcomes to this unit. The learner will be able to:

1. Complete a petty cash voucher
2. Maintain an analysed petty cash book
3. Maintain the petty cash balance

### Guided learning hours

It is recommended that 7 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### Details of the relationship between the unit and relevant national standards

This unit based on the FSSC NOS for Accountancy and Finance Unit FA-2 and FA-3.

### Support of the unit by a sector or other appropriate body

This unit is endorsed by the FSSC.

### Assessment

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## **Unit 102**

Outcome 1

## **Maintaining petty cash records**

Complete a petty cash voucher

### **Assessment Criteria**

The learner can:

1. Prepare petty cash vouchers
2. Calculate the purchase tax (e.g. VAT) where the expense includes it

## **Unit 102**

### Outcome 2

## **Maintaining petty cash records**

Maintain an analysed petty cash book

### **Assessment Criteria**

The learner can:

1. List the petty cash vouchers into an analysed petty cash book ensuring that the expenses are entered and analysed
2. Account for any tax paid e.g. VAT
3. Total and cross cast the petty cash book

## **Unit 102**

### **Outcome 3**

## **Maintaining petty cash records**

### **Maintain the petty cash balance**

#### **Assessment Criteria**

The learner can:

1. Balance off the petty cash book using the impress system.
2. Reconcile the petty cash book with cash in hand
3. Prepare a petty cash reimbursement request or equivalent
4. Show the reimbursement of the petty cash expenditure in the petty cash book.

**Level:** 2

**Credit value:** 2

**NDAQ number:** D/600/4926

### **Unit aim**

This unit is about recording and extracting information on costs within an organisation. The learner will be able to use a costing system to provide information for management on costs and revenue of an organisation.

### **Learning outcomes**

There are **two** learning outcomes to this unit. The learner will be able to:

1. Use the cost recording system to record or extract data
2. Provide information on actual and expected costs

### **Guided learning hours**

It is recommended that 15 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### **Details of the relationship between the unit and relevant national standards**

This unit based on the FSSC NOS for Accountancy and Finance Unit MA-1.

### **Support of the unit by a sector or other appropriate body**

This unit is endorsed by the FSSC.

### **Assessment**

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## **Unit 201**

### Outcome 1

## **Provide Basic Cost and Revenue Information**

Use the cost recording system to record or extract data

### **Assessment Criteria**

The learner can:

1. Identify or clarify information requirements
2. Extract income and expenditure details from relevant sources
3. Distinguish between fixed, variable and semi variable overheads
4. Classify, calculate and code cost information for materials, labour and expenses
5. Calculate stock valuations using appropriate methods

**Unit 201**  
Outcome 2

**Provide Basic Cost and Revenue Information**  
Provide information on actual and expected costs

**Assessment Criteria**

The learner can:

1. Compare actual and expected costs
2. Identify any discrepancies and refer or report to an appropriate person



**Level:** 2  
**Credit value:** 2  
**NDAQ number:** L/600/4923

### Unit aim

This unit is about gaining a range of transferable skills which will enable the learner to work effectively within an accounting environment. Learners will be able to work independently or as part of a team. It aims to prove a reasonable standard of literacy and numeracy skills which is essential for the workplace.

### Learning outcomes

There are **four** learning outcomes to this unit. The learner will be able to:

1. Understand the accounting or payroll function within an organisation
2. Demonstrate a range of effective communication skills
3. Work independently or as part of a team
4. Develop skills and knowledge to meet personal and organisational needs

### Guided learning hours

It is recommended that 20 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### Details of the relationship between the unit and relevant national standards

This unit based on the FSSC NOS for Accountancy and Finance Unit PS-1.

### Support of the unit by a sector or other appropriate body

This unit is endorsed by the FSSC.

### Assessment

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## **Unit 202**

### Outcome 1

## **Work Effectively in Accounting and Finance**

Understand the accounting or payroll function within an organisation

### **Assessment Criteria**

The learner can:

1. Explain the role of accountancy or payroll and other financial functions within the business
2. Identify the contribution of those in accounting or payroll and other financial roles to maintaining the smooth running, solvency and legal compliance of an organisation
3. Identify your appropriate reporting lines within your working environment
4. Recognise any organisational policies and procedures that affect your work

**Unit 202**  
Outcome 2

**Work Effectively in Accounting and Finance**  
Demonstrate a range of effective communication skills

**Assessment Criteria**

The learner can:

1. Demonstrate a level of numeracy and literacy skills appropriate to your role within the organisation
2. Present information in appropriate formats and within organisational guidelines for:
  - informal business report (including diagrams)
  - letter
  - e mail or memo

**Unit 202**  
Outcome 3

**Work Effectively in Accounting and Finance**  
Work independently or as part of a team

**Assessment Criteria**

The learner can:

1. Plan and manage your own workload effectively and prioritise tasks
2. Identify the impact that the completion or non-completion of your work can have on colleagues
3. Resolve or refer conflicts or dissatisfaction within your working environment

## **Unit 202**

### Outcome 4

## **Work Effectively in Accounting and Finance**

Develop skills and knowledge to meet personal and organisational needs

### **Assessment Criteria**

The learner can:

1. Explain the importance of continuing professional development and identify your own development needs and objectives
2. Monitor and review your own development needs and objectives

**Level:** 2

**Credit value:** 4

**NDAQ number:** Y/600/4925

### **Unit aim**

This unit is about understanding the cost recording systems of an organisation. The learner will be able to respond to requests for information relating to costs and expenditure of an organisation.

### **Learning outcomes**

There are **two** learning outcomes to this unit. The learner will be able to:

1. Demonstrate an understanding of the cost recording system within an organisation
2. Recognise the component parts of a cost recording system and how this operates

### **Guided learning hours**

It is recommended that 35 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### **Details of the relationship between the unit and relevant national standards**

This unit based on the FSSC NOS for Accountancy and Finance Unit MA-1.

### **Support of the unit by a sector or other appropriate body**

This unit is endorsed by the FSSC.

### **Assessment**

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## **Unit 203**

### Outcome 1

## **Basic Principles of Costing**

Demonstrate an understanding of the cost recording system within an organisation

### **Assessment Criteria**

The learner can:

1. Explain the nature of the organisation's business transactions in relation to its accounting systems
2. Explain the purpose and structure of a costing system within an organisation
3. Describe the relationships between the costing and accounting systems within the organisation
4. Identify sources of income and expenditure information for historic, current and forecast periods

## Unit 203

### Outcome 2

## Basic Principles of Costing

Recognise the component parts of a cost recording system and how this operates

### Assessment Criteria

The learner can:

1. Identify materials, labour and expenses and explain how they are classified and recorded
2. Explain fixed, variable and semi variable overheads
3. Identify types of cost and profit centres
4. Explain different methods of coding data
5. Identify different types of stock
  - Raw materials
  - Part-finished goods (work in progress)
  - Finished goods
6. Explain different methods of stock valuation
7. Explain methods for calculating payments for labour



## Unit 204

# Principles of recording and processing financial transactions

**Level:** 2

**Credit value:** 2

**NDAQ number:** A/600/8756

### Unit aim

For the learner to have a clear understanding of the principles and procedures related to the processing of business transactions.

### Learning outcomes

There are **six** learning outcomes to this unit. The learner will be able to:

1. Understand the role of the books of prime entry
2. Understand the principles of coding
3. Understand the double entry book-keeping system
4. Understand the various types of discount
5. Understand the use of the Journal
6. Understand control accounts

### Guided learning hours

It is recommended that 17 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### Support of the unit by a sector or other appropriate body

This unit is endorsed by the FSSC.

### Assessment

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## Unit 204

# Principles of recording and processing financial transactions

### Outcome 1

Understand the role of the books of prime entry

#### Assessment Criteria

The learner can:

1. Outline the purpose, content and format of the books of prime entry
2. Outline the purpose and content of a range of business documents to include:
  - petty cash voucher
  - invoice
  - credit note
  - remittance Advice
3. Identify when authorisation is required
4. Explain how transactions are entered in the following books of prime entry:
  - sales and sales returns day books
  - purchase and purchase return day books
  - cash book
  - petty cash book

## **Unit 204**

# **Principles of recording and processing financial transactions**

## **Outcome 2**

Understand the principles of coding

### **Assessment Criteria**

The learner can:

1. Describe the need for a coding system for financial transactions within a double entry book-keeping system
2. Describe the use of coding within a filing system.

## Unit 204

## Principles of recording and processing financial transactions

### Outcome 3

Understand the double entry book-keeping system

#### Assessment Criteria

The learner can:

1. State the accounting equation
2. Explain how the accounting equation relates to a double entry book-keeping system
3. Outline how the books of prime entry integrate with double entry book-keeping system
4. Explain how to process financial transactions from the books of prime entry into the double entry book-keeping system
5. Define, and distinguish between, capital income and capital expenditure.
6. Define, and distinguish between, revenue income and revenue expenditure

## **Unit 204**

# **Principles of recording and processing financial transactions**

## Outcome 4

Understand the various types of discount

### **Assessment Criteria**

The learner can:

1. Explain the difference between settlement, trade and bulk discount
2. Describe the effect that settlement discount has on the sales tax (e.g. VAT) charged

## Unit 204

# Principles of recording and processing financial transactions

## Outcome 5

Understand the use of the Journal

### Assessment Criteria

The learner can:

1. Describe the reasons for maintaining a Journal
2. Describe the content and format of the Journal
3. Give examples of the types of transactions that might be entered into the book-keeping system by using the Journal:
  - Bad debts
  - Wages/salaries
  - PAYE/NIC liability
  - opening balances

## Unit 204

# Principles of recording and processing financial transactions

## Outcome 6

### Understand control accounts

#### Assessment Criteria

The learner can:

1. Describe the purpose of control accounts as a checking device to aid management and help identify book-keeping errors
2. Describe the specific purpose of the following control accounts:
  - sales ledger
  - purchase ledger
  - sales tax account (e.g. VAT)
3. Explain why it is important to reconcile the Sales and Purchase ledger control accounts regularly
4. Describe the usefulness of an aged debtor analysis for monitoring debtors
5. Explain the need to deal with discrepancies quickly and professionally

## Unit 205

# Processing ledger transactions and extracting a trial balance

**Level:** 2

**Credit value:** 2

**NDAQ number:** F/600/8760

### Unit aim

The purpose of this unit is to develop the learners' skills in balancing off the accounts held within the ledgers and from them preparing an initial trial balance

### Learning outcomes

There are **two** learning outcomes to this unit. The learner will be able to:

1. Process ledger transactions from the books of prime entry
2. Prepare ledger balances and an initial trial balance

### Guided learning hours

It is recommended that 17 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### Details of the relationship between the unit and relevant national standards

This unit based on the FSSC NOS for Accountancy and Finance Units FA-1, FA-2 and FA-3.

### Support of the unit by a sector or other appropriate body

This unit is endorsed by the FSSC.

### Assessment

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.



## **Unit 205**

## **Processing ledger transactions and extracting a trial balance**

### Outcome 1

Process ledger transactions from the books of prime entry

#### **Assessment Criteria**

The learner can:

1. Transfer data correctly from the day books to the ledgers
2. Transfer data correctly from the cashbook to the ledgers
3. Transfer data correctly from the petty cash book to the ledgers

## **Unit 205**

## **Processing ledger transactions and extracting a trial balance**

### **Outcome 2**

Prepare ledger balances and an initial trial balance

### **Assessment Criteria**

The learner can:

1. Balance ledger accounts clearly showing balances carried down and brought down as appropriate
2. Extract an initial trial balance

## Unit 206

# Preparing and recording financial documentation

**Level: 2**

**Credit value: 2**

**NDAQ number: J/600/8758**

### Unit aim

The purpose of this unit is to develop learners' skills in processing financial documents. This involves preparing and recording the necessary documents to be sent to customers as well as processing payments received. It also involves processing and recording documents received from suppliers and preparing payments for suppliers

### Learning outcomes

There are **six** learning outcomes to this unit. The learner will be able to:

1. Prepare the financial documents to be sent to credit customers
2. Enter sales invoices and credit notes into the appropriate books of prime entry
3. Process payments from customers
4. Process suppliers' invoices and credit notes
5. Enter supplier invoices and credit notes into the appropriate books of prime entry
6. Prepare payments to suppliers

### Guided learning hours

It is recommended that 16 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### Details of the relationship between the unit and relevant national standards

This unit based on the FSSC NOS for Accountancy and Finance Units FA-1, FA-2 and FA-3.

### Support of the unit by a sector or other appropriate body

This unit is endorsed by the FSSC.

### Assessment

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## **Unit 206**

## **Preparing and recording financial documentation**

### Outcome 1

Prepare the financial documents to be sent to credit customers

### **Assessment Criteria**

The learner can:

1. Use difference source documents to prepare sales invoices and credit notes
2. Calculate relevant sales tax (e.g. VAT), trade discount and settlement discount
3. Produce statements of account to be sent to credit customers

## **Unit 206**

## **Preparing and recording financial documentation**

### Outcome 2

Enter sales invoices and credit notes into the appropriate books of prime entry

#### **Assessment Criteria**

The learner can:

1. Code sales invoices and credit notes
2. Enter invoices and credit notes into the books of prime entry

## **Unit 206**

## **Preparing and recording financial documentation**

### **Outcome 3**

Process payments from customers

#### **Assessment Criteria**

The learner can:

1. Check the accuracy and validity of receipts against relevant supporting information
2. Identify and deal with any discrepancies

## **Unit 206**

## **Preparing and recording financial documentation**

### **Outcome 4**

Understand the various types of discount

#### **Assessment Criteria**

The learner can:

1. Check the accuracy of supplier invoices and credit notes against purchase orders, goods received and delivery notes
2. Check agreed trade, bulk and settlement discounts where appropriate

## **Unit 206**

## **Preparing and recording financial documentation**

### Outcome 5

Enter supplier invoices and credit notes into the appropriate books of prime entry

### **Assessment Criteria**

The learner can:

1. Code supplier invoices and credit notes
2. Enter supplier invoices and credit notes into the books of prime entry



## **Unit 206**

## **Preparing and recording financial documentation**

### Outcome 6

Prepare payments to suppliers

#### **Assessment Criteria**

The learner can:

1. Reconcile supplier statements
2. Calculate the payments due to suppliers from relevant documentation
3. Prepare remittance advices to accompany payments to suppliers

**Level:** 2

**Credit value:** 1

**NDAQ number:** K/600/8770

### **Unit aim**

For the learner to understand the importance of maintaining control over debtors and creditors aided by preparation and use of debtor and creditor control accounts

### **Learning outcomes**

There are **two** learning outcomes to this unit. The learner will be able to:

1. Prepare sales and purchase ledger and tax control accounts
2. Reconcile sales and purchase ledger and tax control accounts

### **Guided learning hours**

It is recommended that 8 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### **Details of the relationship between the unit and relevant national standards**

This unit based on the FSSC NOS for Accountancy and Finance Units FA-1, FA-2 and FA-3.

### **Support of the unit by a sector or other appropriate body**

This unit is endorsed by the FSSC.

### **Assessment**

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## **Unit 207**

### Outcome 1

## **Maintaining Control Accounts**

Prepare sales and purchase ledger and tax control accounts

### **Assessment Criteria**

The learner can:

1. Prepare a sales ledger control account from information extracted from the books of prime entry
2. Balance the sales ledger control account
3. Prepare a purchase ledger control account from information extracted from the books of prime entry
4. Balance the purchase ledger control account
5. Prepare a tax control account from information extracted from the books of prime entry

## **Unit 207**

### Outcome 2

## **Maintaining Control Accounts**

Reconcile sales and purchase ledger and tax control accounts

### **Assessment Criteria**

The learner can:

1. Reconcile the balance on the sales ledger control account with a list of debtors
2. Reconcile the balance on the purchase ledger control account with a list of creditors
3. Reconcile the balances on the tax control account

**Level:** 2

**Credit value:** 2

**NDAQ number:** L/600/8759

### Unit aim

The purpose of this unit is to develop learners' skills in maintaining the cash book by entering receipts and payments accurately, balancing off the cash book and reconciling with a bank statement

### Learning outcomes

There are **two** learning outcomes to this unit. The learner will be able to:

1. Maintain a three column analysed cash book
2. Reconcile a bank statement with the cashbook

### Guided learning hours

It is recommended that 12 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### Details of the relationship between the unit and relevant national standards

This unit based on the FSSC NOS for Accountancy and Finance Units FA-1, FA-2 and FA-3.

### Support of the unit by a sector or other appropriate body

This unit is endorsed by the FSSC.

### Assessment

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

## **Unit 208**

### Outcome 1

## **Maintaining and reconciling the cashbook**

Maintain a three column analysed cash book

### **Assessment Criteria**

The learner can:

1. Enter receipts and payments details from relevant primary records into the three column analysed cashbook
2. Enter settlement discounts to relevant customer and supplier accounts
3. Enter sales tax (e.g. VAT) where applicable
4. Total, balance and cross cast the cashbook
5. Identify and deal with discrepancies

**Unit 208**  
Outcome 2

**Maintaining and reconciling the cashbook**  
Reconcile a bank statement with the cashbook

**Assessment Criteria**

The learner can:

1. Check individual items on the bank statement accurately against the cashbook to identify differences
2. Update the cashbook from the bank statement, direct debit and standing order schedules
3. Prepare a bank reconciliation statement

**Level:** 2

**Credit value:** 2

**NDAQ number:** T/600/8772

### **Unit aim**

For the learner to understand that the Journal is a primary accounting record that lists non-standard book-keeping transactions and that it is then used to enter those transactions into the double entry book-keeping records.

### **Learning outcomes**

There are **four** learning outcomes to this unit. The learner will be able to:

1. Open a new set of double entry book keeping records using the Journal
2. Use the Journal to correct errors is closed and not disclosed by the trial balance
3. Create and clear a suspense account using the Journal
4. Use the Journal to record other transactions

### **Guided learning hours**

It is recommended that 15 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### **Support of the unit by a sector or other appropriate body**

This unit is endorsed by the FSSC.

### **Assessment**

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.



## **Unit 209**

### Outcome 1

## **Maintaining the Journal**

Open a new set of double entry book keeping records using the Journal

### **Assessment Criteria**

The learner can:

1. Prepare the journal entries to open a double entry set of book-keeping records for a new and existing business
2. Record the journal entries in the ledger accounts

## Unit 209

### Outcome 2

## Maintaining the Journal

Use the Journal to correct errors is closed and not disclosed by the trial balance

### Assessment Criteria

The learner can:

1. Identify and record journal entries in the general ledger to correct errors not disclosed by the trial balance.
2. Identify the types of errors in a book-keeping system that are disclosed by extracting a trial balance:
  - Addition errors in individual ledger accounts
  - Single entry transactions
  - Recording two debits or two credits for a transaction
  - Errors transferring balances from the General ledger to the Trial Balance
  - Omission of a General ledger account
3. Re-draft a Trial Balance following the correction of errors

## **Unit 209**

### **Outcome 3**

## **Maintaining the Journal**

Create and clear a suspense account using the Journal

### **Assessment Criteria**

The learner can:

1. Balance a trial balance by recording the difference in a suspense account
2. Prepare Journal entries to correct book-keeping errors and clear the balance on a suspense account
3. Record the journal entries in the general ledger to clear the suspense account
4. Re-draft a trial balance following the correction of errors and the elimination of a suspense account

## **Unit 209**

Outcome 4

## **Maintaining the Journal**

Use the Journal to record other transactions

### **Assessment Criteria**

The learner can:

1. Prepare journal entries to write off a bad debt
2. Enter the journal entries in the general ledger to write off a bad debt including the sales tax (e.g. VAT) where appropriate
3. Prepare and enter the journal entries in the general ledger to process payroll transactions

**Level:** 2

**Credit value:** 3

**NDAQ number:** J/502/4402

### Unit aim

This is the ability to select and use a computerised accounting or bookkeeping software application to input and process data for orders and invoices, receipts and payments and prepare management and period end reports.

This unit is about the skills and knowledge required by an IT user to select and use a wide range of intermediate accounting software tools and techniques for information that is at times non-routine or unfamiliar. Any aspect that is unfamiliar may require support and advice from others.

Accounting software tools and techniques will be defined as 'intermediate' because:

- the software tools and functions involved will at times be non-routine or unfamiliar;
- the choice and use of input, manipulation and output techniques will need to take account of a number of factors or elements and at times be multi-step;
- the user will take some responsibility for inputting, manipulating and outputting the information.

### Learning outcomes

There are **three** learning outcomes to this unit. The learner will be able to:

1. Access, enter and edit accounting information
2. Select and use tools and techniques to process business transactions
3. Produce accounting documents and summary reports to meet requirements

### Guided learning hours

It is recommended that 20 hours should be allocated for this unit, although patterns of delivery are likely to vary.

### Details of the relationship between the unit and relevant national standards

This unit is linked to the Unit maps fully to competences outlined in IT User National Occupational Standards version 3 (2009)

See <http://nos.e-skills.com> for examples of content and context applicable to this unit

### Support of the unit by a sector or other appropriate body

This unit has been developed by e-skills.

### Assessment

This unit will be assessed by:

- See IT User Assessment Strategy available from [www.e-skills.com](http://www.e-skills.com).

## **Unit 210**

### Outcome 1

## **Computerised Accounting Software**

### Access, enter and edit accounting information

#### **Assessment Criteria**

The learner can:

1. Describe the sources and characteristics of accounting data
2. Set up and create new accounting data records accurately to meet requirements
3. Locate and display accounting data records to meet requirements
4. Check data records meet needs using IT tools, making corrections as necessary
5. Respond appropriately to data entry error messages
6. Describe the risks to data security and procedures used for data protection
7. Apply local and/or legal guidelines for the storage and use of data

## **Unit 210**

### Outcome 2

## **Computerised Accounting Software**

Select and use tools and techniques to process business transactions

### **Assessment Criteria**

The learner can:

1. Select and use appropriate tools and techniques to enter and process transactions
2. Review transaction process and identify any errors
3. Respond appropriately to any transactions errors and problems
4. Select and use appropriate tools and techniques to process period end routines

## **Unit 210**

### Outcome 3

## **Computerised Accounting Software**

Produce accounting documents and summary reports to meet requirements

### **Assessment Criteria**

The learner can:

1. Describe what information is required and how to present it
2. Prepare and generate accounting documents
3. Prepare and generate management reports as required
4. Import and export data and link to other systems and software



**Level:** 3

**Credit value:** 3

**NDAQ number:** K/600/4962

**Unit aim**

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

**Learning outcomes**

There are **three** learning outcomes to this unit. The learner will be able to:

1. Understand the principles of ethical working in accountancy or payroll
2. Know how to behave in an ethical manner when working with internal and external customers
3. Understand when and how to take appropriate action following any suspected breaches of ethical codes

**Guided learning hours**

It is recommended that 30 hours should be allocated for this unit, although patterns of delivery are likely to vary.

**Support of the unit by a sector or other appropriate body**

This unit is endorsed by the FSSC.

**Assessment**

This unit will be assessed by workplace assessment, as specified in the FSSC Accountancy and Finance Assessment Strategy 2009.

**Unit 313**  
Outcome 1

**Professional Ethics in Accounting and Finance**

Understand the principles of ethical working in accountancy or payroll

**Assessment Criteria**

The learner can:

1. Explain the general principles of ethical behaviour including
  - integrity (including honesty)
  - objectivity
  - professional and technical competence and due care
  - confidentiality
  - Professional behaviour.
2. Summarise the relevant legal, regulatory and ethical requirements affecting the accounting and finance sector and your own industry
3. Explain the role of professional bodies relevant to your work
4. Explain why you, your organisation or industry are expected to operate within codes of conduct and practice
5. Explain how organisations can be at risk from improper practice and why it is important to be vigilant
6. Identify opportunities to maintain your continuing professional development in line with the requirements of relevant professional bodies.

**Unit 313**  
Outcome 2

**Professional Ethics in Accounting and Finance**

Know how to behave in an ethical manner when working with internal and external customers

**Assessment Criteria**

The learner can:

1. Explain how to act appropriately and with integrity, honesty, fairness and sensitivity when working with clients, suppliers, colleagues and others.
2. Identify why it is important to keep a professional distance between professional duties and personal life at all times
3. Explain why it is important to adhere to organisational and professional values, culture, codes of practice and regulations at all times.
4. Explain why it is important to adhere to policies for handling clients' monies.
5. Explain why information should be kept confidential.
6. Identify circumstances when confidential information should be disclosed and who is entitled to the information.
7. Explain the importance of working within the limits and confines of your own professional experience, knowledge and expertise
8. Summarise the advice to clients on the retention of books, working papers and documents

## **Unit 313**

### Outcome 3

## **Professional Ethics in Accounting and Finance**

Understand when and how to take appropriate action following any suspected breaches of ethical codes

### **Assessment Criteria**

The learner can:

1. Identify the relevant authorities and internal departments to who unethical behaviour, breaches confidentiality, suspected illegal acts or other malpractice should be reported.
2. Recognise when the relevant authority should be advised if an employee has concerns over work they have been asked to complete
3. Identify any inappropriate client behaviour and how to report it to the relevant authority.
4. Explain the procedures which should be followed if an employee suspects an employer, colleague or client has committed, or may commit, an act which is believed to be illegal or unethical e.g. Whistle blowing

## Appendix 1 Sources of general information

The following documents contain essential information for centres delivering City & Guilds qualifications. They should be referred to in conjunction with this handbook. To download the documents and to find other useful documents, go to the **Centres and Training Providers homepage** on [www.cityandguilds.com](http://www.cityandguilds.com).

***Providing City & Guilds qualifications – a guide to centre and qualification approval*** contains detailed information about the processes which must be followed and requirements which must be met for a centre to achieve ‘approved centre’ status, or to offer a particular qualification. Specifically, the document includes sections on:

- The centre and qualification approval process and forms
- Assessment, verification and examination roles at the centre
- Registration and certification of candidates
- Non-compliance
- Complaints and appeals
- Equal opportunities
- Data protection
- Frequently asked questions.

***Ensuring quality*** contains updates and good practice exemplars for City & Guilds assessment and policy issues. Specifically, the document contains information on:

- Management systems
- Maintaining records
- Assessment
- Internal verification and quality assurance
- External verification.

***Access to Assessment & Qualifications*** provides full details of the arrangements that may be made to facilitate access to assessments and qualifications for candidates who are eligible for adjustments in assessment.

The **centre homepage** section of the City & Guilds website also contains useful information such on such things as:

- ***Walled Garden***  
Find out how to register and certificate candidates on line
- ***Qualifications and Credit Framework (QCF)***  
Contains general guidance about the QCF and how qualifications will change, as well as information on the IT systems needed and FAQs
- ***Events***  
Contains dates and information on the latest Centre events
- ***Online assessment***  
Contains information on how to register for GOLA assessments.

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Skills for a brighter future



[www.cityandguilds.com](http://www.cityandguilds.com)

## Useful contacts

### UK learners

#### General qualification information

T: +44 (0)844 543 0033

E: [learnersupport@cityandguilds.com](mailto:learnersupport@cityandguilds.com)

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### International learners

#### General qualification information

T: +44 (0)844 543 0033

F: +44 (0)20 7294 2413

E: [intcg@cityandguilds.com](mailto:intcg@cityandguilds.com)

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### Centres

Exam entries, Registrations/enrolment, Certificates, Invoices, Missing or late exam materials, Nominal roll reports, Results

T: +44 (0)844 543 0000

F: +44 (0)20 7294 2413

E: [centresupport@cityandguilds.com](mailto:centresupport@cityandguilds.com)

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### Single subject qualifications

Exam entries, Results, Certification, Missing or late exam materials, Incorrect exam papers, Forms request (BB, results entry), Exam date and time change

T: +44 (0)844 543 0000

F: +44 (0)20 7294 2413

F: +44 (0)20 7294 2404 (BB forms)

E: [singlesubjects@cityandguilds.com](mailto:singlesubjects@cityandguilds.com)

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### International awards

Results, Entries, Enrolments, Invoices, Missing or late exam materials, Nominal roll reports

T: +44 (0)844 543 0000

F: +44 (0)20 7294 2413

E: [intops@cityandguilds.com](mailto:intops@cityandguilds.com)

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### Walled Garden

Re-issue of password or username, Technical problems, Entries, Results, GOLLA, Navigation, User/menu option, Problems

T: +44 (0)844 543 0000

F: +44 (0)20 7294 2413

E: [walledgarden@cityandguilds.com](mailto:walledgarden@cityandguilds.com)

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### Employer

Employer solutions, Mapping, Accreditation, Development Skills, Consultancy

T: +44 (0)121 503 8993

E: [business\\_unit@cityandguilds.com](mailto:business_unit@cityandguilds.com)

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### Publications

Logbooks, Centre documents, Forms, Free literature

T: +44 (0)844 543 0000

F: +44 (0)20 7294 2413

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