



Qualification Specification

Level 2 Award in Accounting Knowledge

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Introduction

This qualification is appropriate for individuals wanting to demonstrate their knowledge of using computerised accounting software.

Topics include understanding VAT, recording accounting transactions, processing accounting transactions, the bank and petty cash accounts, controlling the accounts, ethics and in legislation in finance and accounting.

The awarding organisation for this qualification is ProQual Awarding Body and the regulatory body is the Office of Qualifications and Examinations Regulation (Ofqual). The specification for these qualifications has been approved by the Welsh Government for use by centres in Wales.

Entry Requirements

There are no formal entry requirements for this qualification. Centres should carry out an **initial assessment** of candidate skills and knowledge to identify any gaps and help plan the assessment.

Qualification Profile

Qualification title	ProQual Level 2 Award in Accounting Knowledge
Ofqual qualification number	603/1262/2
Level	2
Total Qualification Time	45 hours (34 GLH)
Assessment	Pass or fail Internally assessed and verified by centre staff External quality assurance by ProQual verifiers
Qualification start date	27/3/2017
Qualification end date	

Qualification Structure

Candidates must complete **ONE** Mandatory unit:

D/615/5944 Accounting knowledge

Centre Requirements

Centres must be approved to offer this qualification. If your centre is not approved please complete and submit form **ProQual Additional Qualification Approval Application**.

Staff

Staff delivering this qualification must be appropriately qualified and occupationally competent.

Assessors/Internal Quality Assurance

For each competence-based unit centres must be able to provide at least one assessor and one internal quality assurance verifier who are suitably qualified for the specific occupational area. Assessors and internal quality assurance verifiers for competence-based units or qualifications will normally need to hold appropriate assessor or verifier qualifications, such as:

- ProQual Level 3 Certificate in Teaching, Training and Assessing
- Award in Assessing Competence in the Work Environment
- Award in Assessing Vocationally Related Achievement
- Certificate in Assessing Vocational Achievement
- Award in the Internal Quality Assurance of Assessment Processes and Practices
- Certificate in Leading the Internal Quality Assurance of Assessment Processes and Practices

Support for Candidates

Materials produced by centres to support candidates should:

- enable them to track their achievements as they progress through the learning outcomes and assessment criteria;
- provide information on where ProQual's policies and procedures can be viewed;
- provide a means of enabling Internal and External Quality Assurance staff to authenticate evidence

Assessment

Candidates must demonstrate the level of knowledge and competence described in the unit. Assessment is the process of measuring a candidate's knowledge and understanding against the standards set in the qualification.

Assessment guidance is included to assure consistency.

Each candidate is required to produce evidence which demonstrates their achievement of all of the learning outcomes and assessment criteria for each unit.

Evidence can include:

- assignments/projects/reports
- worksheets
- portfolio of evidence
- record of oral and/or written questioning
- candidate test papers

Learning outcomes set out what a candidate is expected to know, understand or be able to do.

Assessment criteria specify the standard a candidate must meet to show the learning outcome has been achieved.

Learning outcomes and assessment criteria for this qualification can be found from page 7 onwards.

Internal Quality Assurance

An internal quality assurance verifier confirms that assessment decisions made in centres are made by competent and qualified assessors, that they are the result of sound and fair assessment practice and that they are recorded accurately and appropriately.

Adjustments to Assessment

Adjustments to standard assessment arrangements are made on the individual needs of candidates. ProQual's Reasonable Adjustments Policy and Special Consideration Policy sets out the steps to follow when implementing reasonable adjustments and special considerations and the service that ProQual provides for some of these arrangements.

Centres should contact ProQual for further information or queries about the contents of the policy.

Results Enquiries and Appeals

All enquiries relating to assessment or other decisions should be dealt with by centres, with reference to ProQual's Enquiries and Appeals Procedures.

Certification

Candidates who demonstrate achievement of the qualification will be awarded a certificate giving the full qualification title -

ProQual Level 2 Award in Accounting Knowledge

Claiming certificates

Centres may claim certificates for candidates who have been registered with ProQual and who have successfully completed the requirements for a qualification. All certificates will be issued to the centre for successful candidates.

Replacement certificates

If a replacement certificate is required a request must be made to ProQual in writing. Replacement certificates are labelled as such and are only provided when the claim has been authenticated. Refer to the Fee Schedule for details of charges for replacement certificates.

Learning Outcomes and Assessment Criteria

Introduction to Accounting

Learning Outcome - The learner will:	Assessment Criterion - The learner can:
1 Understand Basic Accounting Concepts	1.1 Identify the four characteristics and business needs to consider when setting up an accounting system: Relevance, Reliability, Comparability, Understandability
	1.2 Identify the terminology of the Accounting Equation
	1.3 Classify the following terms: Fixed Assets, Current Assets, Current Liabilities, Long Term Liabilities, Capital
	1.4 Describe the difference between Revenue Expenditure and Capital Expenditure
2 Understand the principles of VAT	2.1 Describe: (a) what VAT is (b) when to register for VAT (c) how the VAT system works
	2.2 Identify the 3 different rates of VAT
	2.3 Describe what the terms 'exempt' and 'outside the scope' refer to
	2.4 Describe the different VAT schemes: <ul style="list-style-type: none">• Standard• Cash Accounting• Annual Accounting• Flat Rate
3 Know how to Record Accounting Transactions	3.1 Describe the importance of an accurate coding system and how it is used in: Prime Documents, Primary Records, Double Entry Accounts
	3.2 Explain the difference between trade, bulk and settlement accounts
	3.3 Describe the effect that a settlement discount has on the calculation of VAT
	3.4 Describe the purpose, format and use of the books of prime entry: <ul style="list-style-type: none">• Sales and sales return day book• Purchase and purchase returns day book• Cash and petty cash book
	3.5 Identify the purpose of, the authorisation and the legal requirement for retention of: <ul style="list-style-type: none">• Sales and purchase orders• Sales and purchase invoices and credit notes• Statements and remittance advice notes• Bank statements and petty cash voucher

Learning Outcome - The learner will:	Assessment Criterion - The learner can:
4 Be able to Process Accounting Transactions	4.1 Enter sales invoices through the day books and into the sales ledger 4.2 Enter purchase invoices through the day books and into the purchase ledger 4.3 Enter a range of nominal transactions from the day books into the nominal ledger and balance the accounts 4.4 Produce an accurate (balanced) Trial Balance from the nominal ledger balances
5 Be able to process the Bank and Petty Cash Accounts	5.1 Enter a range of transactions through the bank account 5.2 Reconcile the bank account to the bank's statement 5.3 Enter a range of transactions through the petty cash account: <ul style="list-style-type: none"> • Petty cash payments • Petty cash receipts • Purchase payments • Sales receipts
6 Understand Control Accounts	6.1 Describe the formation of a control account and the information required to complete the entries 6.2 Identify the different types of journal and the different reasons for processing a journal 6.3 Process a range of journal entries to correct errors, adjust accounts or enter information 6.4 Construct a VAT control account from the day books and ledger information
7 Understand Professional Ethics in Finance and Accounting	7.1 Identify four of the five fundamental principles of the code of ethics for professional accountants 7.2 Explain the importance of maintaining security when keeping accounts 7.3 Identify the principles of data protection including: <ul style="list-style-type: none"> • Ensuring it is adequate, relevant and not more than is required • Not kept longer than necessary 7.4 Describe the main duties and responsibilities of employers under health and safety legislation

Assessment

There must be valid, authentic and sufficient for all the assessment criteria. However, one piece of evidence may be used to meet the requirements of more than one learning outcome or assessment criterion.



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