



**Pearson  
LCCI Level 2 Award in  
Computerised  
Bookkeeping (VRQ)  
(ASE20095)**

**SPECIFICATION**

First teaching from May 2015

First examination from September 2015



# **Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) (ASE20095)**

## **Specification**

First teaching from May 2015

## **Edexcel, BTEC and LCCI qualifications**

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## Acknowledgements

This specification has been produced by Pearson on the basis of consultation with teachers, examiners, consultants and other interested parties. Pearson would like to thank all those who contributed their time and expertise to the specification's development.

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# Introduction

## LCCI qualifications

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LCCI qualifications are widely regarded by employers as preparing students to carry out the key functions of modern international business. The qualifications are recognised worldwide by employers, universities and professional bodies such as the Association of Chartered Certified Accountants (ACCA).

This new and engaging range of qualifications has been developed in collaboration with professional bodies, employers and customers. We have conducted in-depth, independent consultation to ensure that the qualifications develop the breadth and depth of knowledge, skills and understanding that students need to be effective employees, and that the qualifications support progression pathways.

LCCI offers a wider range of qualifications; they are available at levels 1 to 4 across the following subject areas:

- English Language
- Marketing and Customer Service
- Business, Administration and IT
- Finance and Quantitative.

This specification is part of the Finance and Quantitative suite of LCCI qualifications.

Please refer to the website for details of other qualifications in the suite.

This qualification replaces the LCCI Level 2 Award in Computerised Book-keeping Skills and contains elements from the LCCI Level 3 Award in Computerised Accounting Skills.

## **Purpose of the specification**

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This specification sets out:

- the objectives of the qualification
- any other qualification that a student must have completed before taking the qualification
- any prior knowledge and skills that the student is required to have before taking the qualification
- any other requirements that a student must have satisfied before they will be assessed or before the qualification will be awarded
- the knowledge, understanding and skills that will be assessed as part of the qualification
- the method of assessment and any associated requirements relating to it
- the criteria against which a student's level of attainment will be measured (such as assessment criteria).

## Rationale

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The Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) meets the following purpose:

The purpose of the qualification is to develop students' skills and competence in using computerised accounting software. Students will produce accurate, professional and well-presented accounting information, employing an appropriate range of accounting procedures while adhering to accounting conventions. The qualification aims in particular to develop skills in:

- setting up company data and making journal and ledger entries
- processing routine payments and receipts
- producing appropriate accounting reports for management purposes.

## Qualification aim

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The Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) is trusted and valued by employers worldwide and recognised by professional bodies. All businesses require accurate accounting records that are maintained on a regular basis. Consequently, there is a demand for employees who possess these skills.

The qualification gives students the opportunity to gain the knowledge, understanding and skills needed to ensure that routine transactions made by the business are accurately recorded using computerised accounting software.

This qualification is designed to increase students' employability skills in a variety of roles involving accurate data recording, such as bookkeeping in a company's finance department. The qualification also supports students who run their own businesses and carry out their own bookkeeping, and those who are already working in accounting and who would like to enhance their skills by obtaining a formal qualification.



# Contents

<b>Specification at a glance</b>	<b>1</b>
<b>Knowledge, skills and understanding</b>	<b>3</b>
Content	3
Assessment	7
Assessment summary	7
Assessment Objectives	9
Performance descriptors	10
Entry and assessment information	11
Student entry	11
Combinations of entry	11
Age	11
Resitting the qualification	11
Awarding and reporting	11
Access arrangements, reasonable adjustments and special consideration	12
Equality Act 2010 and Pearson equality policy	13
Malpractice	14
Language of assessment	14
<b>Other information</b>	<b>15</b>
Guided Learning Hours	15
Student recruitment	15
Prior learning and other requirements	15
Progression	15
Exemptions	16
National Occupational Standards	16
Codes	16
<b>Support, training and resources</b>	<b>17</b>
<b>Appendix 1: Glossary of International Accounting Standards terminology</b>	<b>21</b>



# Specification at a glance

The Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) consists of one externally examined paper.

<b>Title: Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ)</b>	
<ul style="list-style-type: none"> <li>Externally assessed</li> </ul>	<b>100% of the total qualification</b>
<p>Overview of content</p> <ul style="list-style-type: none"> <li>Creating, entering and amending company data</li> <li>Processing routine transactions</li> <li>Processing non-routine transactions</li> <li>Processing journals</li> <li>Bank accounts reconciliation</li> <li>Management reports</li> <li>Data security.</li> </ul>	
<p>Overview of assessment</p> <ul style="list-style-type: none"> <li>One externally set and marked paper, consisting of 100% of the overall grade of the qualification</li> <li>The examination will be 2 hours 45 minutes</li> <li>The examination will consist of 180 marks</li> <li>Students will be graded Pass/Merit/Distinction. A result of Fail will be recorded where students do not achieve the required marks for a Pass</li> <li>The paper comprises two sections</li> <li>Students answer all tasks from Section A and Section B</li> <li>Students are required to generate and save all tasks in PDF format</li> <li>Section A comprises one extended, open-response question broken down into a number of parts</li> <li>Section A requires the use of word processing software and PDF conversion software, if not already part of the word processing software package</li> <li>Section B comprises a scenario in which it is assumed that the candidate is working in an accounting department using a computerised accounting system. The scenario requires candidates to process a variety of business transactions using commercially available computerised accounting software</li> <li>Section B requires the use of dedicated computerised accounting software and PDF conversion software, if not already part of the computerised accounting software package. The examination is compatible with the following computerised accounting software: Sage 50, Sage Instant, Sage UBS, MYOB, Pegasus, TASBooks, QuickBooks and Microsoft Accounting. This list is not exhaustive and other computerised accounting software may be used.</li> </ul>	

Centres must ensure the computerised accounting software they are using is equivalent to those listed and will enable candidates to successfully complete the examination without disadvantage.

- Computerised accounting software must accept currencies to 2 decimal places, for example sterling, dollars, euros, yen.

Conduct of the assessment

- The procedures and conduct of the examination are given in the *Instructions for the Conduct of Examinations (ICE)* document found on our website.

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# Knowledge, skills and understanding

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## Content

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The following content must be covered to prepare students for the final assessment of this qualification.

### 1. Creating, entering and amending company data

Subject content	What students need to learn:
<b>1.1 Create, enter and amend company data</b>	a) Company name and address
	b) Relevant national purchase tax
	c) Nominal ledger accounts
	d) Sales ledger accounts
	e) Purchases ledger accounts
	f) Bank accounts

### 2. Processing routine transactions

Subject content	What students need to learn:
<b>2.1 Record routine transactions</b>	a) Input data using the provided house style
<b>2.2 Process and record complex credit transactions</b>	a) Customer invoices and credit notes
	b) Supplier invoices and credit notes
	c) Settlement discounts
	d) Trade discounts
	e) Customer receipts by cheques, cash and automated transfer
	f) Supplier payments by cheques, cash and automated transfer
<b>2.3 Process and record non-credit transactions</b>	a) Non-customer receipts and payments
	b) Non-supplier receipts and payments
	c) Cash transactions
	d) Credit card transactions
	e) Petty cash (imprest and non-imprest)

### 3. Processing non-routine transactions

Subject content	What students need to learn:
<b>3.1 Process and record customer account adjustments</b>	a) Write off a customer bad debt
	b) Contra entries between customer and supplier accounts
	c) Process a customer's returned/cancelled payment
	d) Correction of errors (using available facilities from within the accounting software)
<b>3.2 Process and record supplier account adjustments</b>	a) Contra entries between customer and supplier accounts
	b) Process a payment to a supplier that has been returned/cancelled
	c) Correction of errors (using available facilities from within the accounting software)

### 4. Processing journals

Subject content	What students need to learn:
<b>4.1 Use different types of journal entries</b>	a) Process corrections of errors
	b) Introduction of non-current assets
	c) Goods taken for personal use
	d) Wages/salaries

### 5. Bank accounts reconciliation

Subject content	What students need to learn:
<b>5.1 Carry out bank account reconciliation</b>	a) Matching items from bank statement to appropriate nominal ledger bank account
	b) Identify transactions that cannot be matched on both the bank statement and nominal ledger bank
	c) Update computer bank records with unmatched items
	d) Finalise the reconciliation procedure

## 6. Management reports

Subject content	What students need to learn:
<b>6.1 Generate period end management reports</b>	a) Audit Trail
	b) Trial Balance
	c) Customer and Supplier Details
	d) Customer and Supplier Transactional Activity
	e) Nominal Ledger Account Activity
	f) Aged Trade Receivables and Trade Payables
	g) Customer Statements
	h) Bank Reconciled/Unreconciled Items

## 7. Data security

Subject content	What students need to learn:
<b>7.1 Restore, back up and enable data security</b>	a) The methods and importance of enabling data security: <ul style="list-style-type: none"><li>• restore and back-up of data</li><li>• passwords</li><li>• confidentiality</li><li>• loss of data</li><li>• access rights.</li></ul>
	b) The strengths and weaknesses of methods of enabling data security: <ul style="list-style-type: none"><li>• restore and back-up of data</li><li>• passwords</li><li>• confidentiality</li><li>• loss of data</li><li>• access rights.</li></ul>

The following skills should be developed throughout the course of study.

<b>Skills</b>	<b>Students should:</b>
	a) Demonstrate accuracy and orderliness to present accounting information
	b) Process different types of transactions, sales, purchases and nominal ledgers
	c) Process a variety of accounting journals using the double entry concept
	d) Carry out reconciliation of banking records
	e) Prepare ledger accounts and management information
	f) Understand the need for data security



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# Assessment

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## Assessment summary

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### Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ)

First teaching: May 2015

First assessment: September 2015

The examination is available on demand.

#### Overview of content

- Creating, entering and amending company data
- Processing routine transactions
- Processing non-routine transactions
- Processing journals
- Bank accounts reconciliation
- Management reports
- Data security.

#### Overview of assessment

- One externally set and marked paper, consisting of 100% of the overall grade of the qualification
- The examination will be 2 hours 45 minutes
- The examination will consist of 180 marks
- Students will be graded Pass/Merit/Distinction. A result of Fail will be recorded where students do not achieve the required marks for a Pass
- The paper comprises two sections
- Students answer all tasks from Section A and Section B
- Students are required to generate and save all tasks in PDF format
- Section A comprises one extended, open-response question broken down into a number of parts
- Section A requires the use of word processing software and PDF conversion software, if not already part of the word processing software package
- Section B comprises a scenario in which it is assumed that the candidate is working in an accounting department using a computerised accounting system. The scenario requires candidates to process a variety of business transactions using commercially available computerised accounting software
- Section B requires the use of dedicated computerised accounting software and PDF conversion software, if not already part of the computerised accounting software package. The examination is compatible with the following computerised accounting software: Sage 50, Sage Instant, Sage UBS, MYOB, Pegasus, TASBooks, QuickBooks and Microsoft Accounting. This list is not

exhaustive and other computerised accounting software may be used. Centres must ensure the computerised accounting software they are using is equivalent to those listed and will enable candidates to successfully complete the examination without disadvantage.

- Computerised accounting software must accept currencies to 2 decimal places, for example sterling, dollars, euros, yen.

#### Conduct of the assessment

- The procedures and conduct of the examination are given in the Instructions for the Conduct of Examinations (ICE) document found on our website.

## Assessment Objectives

Assessment objectives have been developed for this qualification to ensure that examinations are appropriately targeted. They describe the abilities that students should be able to demonstrate. Each question targets one or more assessment objectives. They are applied to the examination in the proportions below.

<b>Students must:</b>		<b>% of qualification</b>
<b>AO1</b>	<b>Memorise</b> Recall accounting facts Recall accounting terms and definitions Recall accounting processes and formulae	15–20
<b>AO2</b>	<b>Perform procedures</b> Record business transactions Use appropriate accounting techniques Carry out computations Prepare financial reports and/or statements using appropriate business formats Take knowledge acquired and apply it to different contexts and circumstances	80–85
<b>AO3</b>	<b>Communicate understanding</b> Understanding accounting techniques Present/display data in tables Explain the importance of data security and confidentially	2–5
<b>Total</b>		100

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## Performance descriptors

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<b>Grade</b>	<b>Descriptor</b>
<b>Pass</b>	<p>Candidates recall accounting facts, terms and definitions applying basic accounting processes and formulae.</p> <p>They will record business transactions using some appropriate accounting techniques and present/display basic data in tables</p> <p>They prepare financial reports and/or statements using business formats applying it to different contexts and circumstances</p>
<b>Distinction</b>	<p>Candidates recall accounting facts, terms and definitions applying complex accounting processes and formulae.</p> <p>They will record business transactions using appropriate accounting techniques and present/display data in tables</p> <p>They prepare financial reports and/or statements using accurate and appropriate business formats applying it to a variety of different contexts and complex circumstances</p>

Performance descriptors may be revised following first award.

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## **Entry and assessment information**

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Please see the LCCI International Qualification Operations Guide for centres and the LCCI Examination Regulations, available from our website.

### **Student entry**

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Details on how to enter candidates for the examination for this qualification can be found at [www.pearson.com](http://www.pearson.com).

Students must be entered for the examination 4 weeks prior to the intended examination date.

### **Combinations of entry**

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There are no forbidden combinations of entry for this qualification.

### **Age**

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Students must be a minimum of 16 years old to be entered onto this qualification.

### **Resitting the qualification**

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Candidates can resit the examination for Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ). Candidates can be entered for the next examination for this qualification.

### **Awarding and reporting**

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The Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) qualification is certificated on a three-grade scale: Pass/Merit/Distinction. Pass and distinction are awarded, merit is arithmetically calculated.

# Access arrangements, reasonable adjustments and special consideration

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## Access arrangements

Access arrangements are agreed before an assessment. They allow students with special educational needs, disabilities or temporary injuries to:

- access the assessment
- show what they know and can do without changing the demands of the assessment.

The intention behind an access arrangement is to meet the particular needs of an individual student with a disability without affecting the integrity of the assessment. Access arrangements are the principal way in which awarding bodies comply with the duty under the Equality Act 2010 to make 'reasonable adjustments'.

Access arrangements should always be processed at the start of the course. Students will then know what is available and have the access arrangement(s) in place for assessment.

## Reasonable adjustments

The Equality Act 2010 requires an awarding organisation to make reasonable adjustments where a person with a disability would be at a substantial disadvantage in undertaking an assessment. The awarding organisation is required to take reasonable steps to overcome that disadvantage.

A reasonable adjustment for a particular person may be unique to that individual and therefore might not be in the list of available access arrangements.

Whether an adjustment will be considered reasonable will depend on a number of factors, which will include:

- the needs of the student with the disability
- the effectiveness of the adjustment
- the cost of the adjustment; and
- the likely impact of the adjustment on the student with the disability and other students.

An adjustment will not be approved if it involves unreasonable costs to the awarding organisation, timeframes or affects the security or integrity of the assessment. This is because the adjustment is not 'reasonable'.

### **Special consideration**

Special consideration is a post-examination adjustment to a student's mark or grade to reflect temporary injury, illness or other indisposition at the time of the examination/assessment, which has had, or is reasonably likely to have had, a material effect on a candidate's ability to take an assessment or demonstrate his or her level of attainment in an assessment.

### **Further information**

Please see our website or email [internationalenquiries@pearson.com](mailto:internationalenquiries@pearson.com) for further information about how to apply for access arrangements and special consideration.

For further information about access arrangements, reasonable adjustments and special consideration please refer to the JCQ website: [www.jcq.org.uk](http://www.jcq.org.uk).

## **Equality Act 2010 and Pearson equality policy**

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Equality and fairness are central to our work. Our equality policy requires all students to have equal opportunity to access our qualifications and assessments, and our qualifications to be 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.

You can find details on how to make adjustments for students with protected characteristics in the policy document *Access Arrangements, Reasonable Adjustments and Special Considerations*, which is on our website, [www.edexcel.com/Policies](http://www.edexcel.com/Policies).

## Malpractice

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For up-to-date information on malpractice please refer to the latest Joint Council for Qualifications (JCQ) *Suspected Malpractice in Examinations and Assessments* document, available on the JCQ website: [www.jcq.org.uk](http://www.jcq.org.uk)

## Language of assessment

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Assessment of this specification will be in English only. Assessment materials will be published in English only and all work submitted for examination must be in English only.



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## Other information

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## Guided Learning Hours

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Guided Learning Hours (GLH): the number of teacher-led contact hours required to support student achievement for a qualification.

The Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) requires 50 GLH.

Centres should ensure that students have additional time for self-study and preparation for the final examination, this is in addition to the GLH stated above.

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## Student recruitment

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Pearson follows the JCQ policy concerning recruitment to our qualifications in that:

- they must be available to anyone who is capable of reaching the required standard
- they must be free from barriers that restrict access and progression
- equal opportunities exist for all students.

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## Prior learning and other requirements

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There are no formal entry requirements for this qualification.

Students may be studying in a local language but the assessment will be in English. Pearson recommends students have B1 level of English on the Common European Framework of Reference (CEFR). This will support access to the assessment materials and be able to communicate responses effectively.

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## Progression

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Students can progress from this qualification by continuing their academic study leading to higher bookkeeping and accounting qualifications. This qualification is also designed to increase students' employability, and students could progress to a variety of roles within a company's finance department such as bookkeeper, accounts assistant, and accounts clerk.

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## Exemptions

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This qualification does not provide exemption to any other qualification in the suite or to qualifications with any other awarding organisation.

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## National Occupational Standards

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The Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) has links to the following National Occupational Standards (NOS):

- Finance and Accounting

Please see our website for further details.

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## Codes

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This qualification is approved by Ofqual and meets the Ofqual General Conditions for inclusion on the Register of Regulated Qualifications. The Qualification Number (QN) is: 601/6043/3

The subject code for Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) is: ASE20095. The subject code is used by centres to enter students for a qualification. Centres will need to use the entry codes only when claiming students' qualifications.

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# Support, training and resources

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## **Training**

Pearson offers support and training to teachers on standard of delivery and preparing students to meet the assessment requirements.

## **Specifications, Sample Assessment Materials and Teacher Support Materials**

The Pearson LCCI Level 2 Award in Computerised Bookkeeping (VRQ) Sample Assessment Materials document (ISBN 9781446930090) can be downloaded from our website.

To find a list of all the support documents available please visit our website.



# Appendix

Appendix 1: Glossary of International Accounting Standards terminology

21



## Appendix 1: 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. IAS terminology is used in the content of the LCCI financial and quantitative suite of qualifications but not all terms are present in all levels of the qualifications.

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

<b>IAS terminology</b>	<b>Previously used UK GAAP terminology</b>
Financial statements	Final accounts
<b>Statement of profit or loss and other comprehensive income</b>	<b>Trading and profit and loss account</b>
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	Net profit
Retained earnings	Profit/loss balance
<b>Statement of changes in equity (limited companies)</b>	<b>Appropriation account</b>
<b>Statement of financial position</b>	<b>Balance sheet</b>

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





For more information on LCCI qualifications please visit our website:  
[uk.pearson.com/LCCIinternational](http://uk.pearson.com/LCCIinternational)

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