

Basic Accounting I

Mapping of your evidence to outcomes and criteria

Title (and reference number)		Principles of recording and processing financial transactions (K)			
Level 2					
Learning outcomes – learners will:		Assessment criteria – learners can:		Your evidence*	Assessor (tick)
1	Understand the role of the books of prime entry	1.1	Outline the purpose, content and format of the books of prime entry		
		1.2	Outline the purpose and content of a range of business documents to include: <ul style="list-style-type: none"> • petty cash voucher • invoice • credit note • remittance Advice 		
		1.3	Identify when authorisation is required		
		1.4	Explain how transactions are entered in the following books of prime entry: <ul style="list-style-type: none"> • sales and sales returns day books • purchase and purchase return day books • cash book • petty cash book 		
2	Understand the principles of coding	2.1	Describe the need for a coding system for financial transactions within a double entry book-keeping system		
		2.2	Describe the use of coding within a filing system.		
3	Understand the double entry book-keeping system	3.1	State the accounting equation		
		3.2	Explain how the accounting equation relates to a double entry book-keeping		

			system		
		3.3	Outline how the books of prime entry integrate with double entry book-keeping system		
		3.4	Explain how to process financial transactions from the books of prime entry into the double entry book-keeping system		
		3.5	Define, and distinguish between, capital income and capital expenditure		
		3.6	Define, and distinguish between, revenue income and revenue expenditure		
4	Understand the various types of discount.	4.1	Explain the difference between settlement, trade and bulk discount		
		4.2	Describe the effect that settlement discount has on the sales tax (e.g. VAT) charged		
5	Understand the use of the Journal	5.1	Describe the reasons for maintaining a Journal		
		5.2	Describe the content and format of the Journal		
		5.3	Give examples of the types of transactions that might be entered into the book-keeping system by using the Journal: <ul style="list-style-type: none"> • bad debts • wages/salaries • PAYE/NIC liability • opening balances 		
6	Understand control accounts	6.1	Describe the purpose of control accounts as a checking device to aid management and help identify book-keeping errors		

		6.2	Describe the specific purpose of the following control accounts: <ul style="list-style-type: none"> • sales ledger • purchase ledger • sales tax account (e.g. VAT) 		
		6.3	Explain why it is important to reconcile the Sales and Purchase ledger control accounts regularly		
		6.4	Describe the usefulness of an aged debtor analysis for monitoring debtors		
		6.5	Explain the need to deal with discrepancies quickly and professionally		

*You can use a number of different types of evidence to demonstrate your competence, for example a letter, excel spreadsheet, report or witness testimony. Your training provider will be able to give you guidance so it is important that you discuss it with them. As you may be referring to an individual piece of evidence more than once in your evidence summary you will need to cross reference all pieces of evidence by giving each a unique number and refer to page number, paragraph number etc. This number should be included in the evidence document name when you submit it.

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Title (and reference number)		Preparing and recording financial documentation (S)			
Level 2					
Learning outcomes – learners will:		Assessment criteria – learners can:		Your evidence*	Assessor (tick)
1	Prepare the financial documents to be sent to credit customers	1.1	Use difference source documents to prepare sales invoices and credit notes		
		1.2	Calculate relevant sales tax (e.g. VAT), trade discount and settlement discount		
		1.3	Produce statements of account to be sent to credit customers		
2	Enter sales invoices and credit notes into the appropriate books of prime entry	2.1	Code sales invoices and credit notes		
		2.2	Enter invoices and credit notes into the books of prime entry		
3	Process payments from customers	3.1	Check the accuracy and validity of receipts against relevant supporting information		
		3.2	Identify and deal with any discrepancies		
4	Process suppliers' invoices and credit notes	4.1	Check the accuracy of supplier invoices and credit notes against purchase orders, goods received and delivery notes		
		4.2	Check agreed trade, bulk and settlement discounts where appropriate		
5	Enter supplier invoices and credit notes into the appropriate books of prime entry	5.1	Code supplier invoices and credit notes		

		5.2	Enter supplier invoices and credit notes into the books of prime entry		
6	Prepare payments to suppliers	6.1	Reconcile supplier statements		
		6.2	Calculate the payments due to suppliers from relevant documentation		
		6.3	Prepare remittance advices to accompany payments to suppliers		

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Mapping of your evidence to outcomes and criteria

Title (and reference number)		Processing ledger transactions and extracting a trial balance (S)			
Level 2					
Learning outcomes – learners will:		Assessment criteria – learners can:		Your evidence*	Assessor (tick)
1	Process ledger transactions from the books of prime entry	1.1	Transfer data correctly from the day books to the ledgers		
		1.2	Transfer data correctly from the cashbook to the ledgers		
		1.3	Transfer data correctly from the petty cash book to the ledgers		
2	Prepare ledger balances and an initial trial balance	2.1	Balance ledger accounts clearly showing balances carried down and brought down as appropriate		
		2.2	Extract an initial trial balance		