

Internal control and accounting systems



Mapping of your evidence to outcomes and criteria

Title (and reference number)		Principles of internal control (K)			
Level 4					
Learning outcomes – learners will:		Assessment criteria – learners can:		Your evidence*	Assessor (tick)
1	Demonstrate an understanding of the role of accounting within the organisation.	1.1	Describe the purpose, structure and organisation of the accounting function and its relationships with other functions within the organization.		
		1.2	Explain the various business purposes for which the following financial information is required <ul style="list-style-type: none"> income statement (profit and loss account) forecast of cash flow (cash flow statement) statement of financial position (balance sheet). 		
		1.3	Give an overview of the organisation's business and its critical external relationships with stakeholders.		
		1.4	Explain how the accounting systems are affected by the organisational structure, systems, procedures, and business transactions.		
		1.5	Explain the effect on users of changes to accounting systems caused by <ul style="list-style-type: none"> external regulations organisational policies and procedures. 		
2	Understand the importance and use of internal control systems.	2.1	Identify the external regulations that affect accounting practice.		
		2.2	Describe the causes of, and common types of, fraud and the impact of this on the organisation.		
		2.3	Explain methods that can be used to detect fraud within an accounting system.		
		2.4	Explain the types of controls that can be put		

			in place to ensure compliance with statutory or organisational requirements.		
3	Be able to identify and use the appropriate accounting system to meet specific organisational requirements.	3.1	Identify weaknesses in accounting systems <ul style="list-style-type: none"> • potential for errors • exposure to possible fraud. 		
		3.2	Explain how an accounting system can support internal control.		
		3.3	Identify ways of supporting individuals who operate accounting systems using <ul style="list-style-type: none"> • training • manuals • written information • help menus. 		
		3.4	Explain the value and benefit to a specific organisation of different types of accounting systems and software packages.		

*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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Mapping of your evidence to outcomes and criteria

Title (and reference number)		Evaluating accounting systems (S)			
Level 4					
Learning outcomes – learners will:		Assessment criteria – learners can:		Your evidence*	Assessor (tick)
1	Evaluate the accounting system and identify areas for improvement.	1.1	Identify an organisation's accounting system requirements.		
		1.2	Review record keeping systems to confirm whether they meet the organisation's requirements for financial information.		
		1.3	Identify weaknesses in and the potential for improvements to, the accounting system and consider their impact on the operation of the organization.		
		1.4	Identify potential areas of fraud arising from lack of control within the accounting system and grade the risk.		
		1.5	Review methods of operating for cost effectiveness, reliability and speed.		
2	Make recommendations to improve the accounting system.	2.1	Make recommendations for changes to the accounting system in an easily understood format, with a clear rationale and an explanation of any assumptions made.		
		2.2	Identify the effects that any recommended changes would have on the users of the system.		
		2.3	Enable individuals who operate accounting systems to understand how to use the system to fulfil their responsibilities.		
		2.4	Identify the implications of recommended changes in terms of time, financial costs, benefits, and operating procedures.		

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