

Level 1/2/3 Award in Book-keeping and Accounts (8991)

Frequently asked questions

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1 General Questions

Who is this qualification for?

At Level 1 the qualification is aimed at a learner seeking a first qualification in the practical use of book-keeping and accounts. Potential candidates should have an adequate understanding of the terms used in basic book-keeping. They should also have reasonable skills in numeracy and a basic understanding of business.

At Level 2 the qualification is aimed at a learner seeking certification of a broad experience in using book-keeping and accounts and to widen their competence. It is also aimed at those who want to enter employment in a book-keeping and accounts environment.

At Level 3 the qualification is aimed at candidates who are competent users of accounting and book-keeping tools and who are seeking to develop skills required by today's businesses for the preparation and monitoring of financial data.

What level is this qualification available at?

This qualification is available at levels 1, 2 and 3.

What are the Guided Learning Hours (GLH) for this qualification?

Levels 1 and 2 are 30 GLH and level 3 is 60 GLH.

What is the QCA (Qualification and Curriculum Agency) reference number?

Level 1	500/4767/X
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Level 2	500/4685/8
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Level 3	500/4768/1
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What progression to other qualifications is available?

The qualifications provide knowledge related to the City & Guilds Level 2 and 3 NVQ in Accounting

On completion of these qualifications candidates may progress to the following City & Guilds qualifications:

City & Guilds Level 1-3 Award in Business Finance (8990)

City & Guilds Level 1-3 Award in Computerised Accounts (8989)

City & Guilds Level 2 and 3 NVQ in Accounting

Apprenticeship/Advanced Apprenticeship in Accounting

2 Examination Queries

Can we order the new question papers before 1st October?

You can order each year's new papers from the 1st September for examinations to be sat from the 1st October.

Will this qualification be funded?

The qualification will be fundable. However, you will need to contact your Learning and Skills Council (LSC) to find out if you can receive funding.

How many sample papers will be available?

There will be at least one sample paper available on the website for each level plus an additional question paper and marking scheme are available at each level in the Examination Support Guide. The guide will be available from the City & Guilds website. New sample papers will be published regularly and will be available on the website.

Can calculator be used during the examination?

Yes, non-programmable calculators may be used during the exam.

Can candidates make notes during reading time?

No note making is allowed during reading time. Candidates are recommended to use the five minutes to plan their time for answering the tasks.

What are the pass and first class pass grade boundaries?

Please see page 8 of the Examination Support Guide for the assessment criteria.

To be awarded a Pass candidates must achieve 60%. (60 out of 100 marks).

To be awarded a First Class Pass candidates must achieve 75% overall. (75 out of 100 marks).

On task 1 in the Level 1 papers candidates have to calculate an invoices which have been incorrectly calculated. Should candidates write their answer in linear form or tabular form, like the original invoices?

The clearer way to answer Question 1 is to use a tabular form like the existing invoice (or credit note). This would mean there is less chance of making a mistake on calculations and seems an excellent approach.

Do candidates have to enter numbers to two decimal places?

Candidates should always enter numbers to two decimal places as this is best practice. The rare exception would be where no pence or cents are involved.

Can you explain why you use the terminology you do?

All the terminology used in these examinations is current industry standard. Candidates and their centres and tutors should be familiar with the syllabus and assessment criteria, including the range of terminology involved. Terminology used in book-keeping and accounting is changing and although at the moment City & Guilds is using traditional UK terms, such as debtors, any answers from candidates using 'new' terminology (for example, accounts receivable) will be fully rewarded.

On one of your sample Level 2 papers there is the following question and answer in the marking scheme:

A cheque of \$268 received from a customer in respect of cash sales had been returned by the bank marked refer to drawer. No entries had been made to record the return of this cheque.

Marking Scheme answer:

Sales	DR 268	
Bank		CR268

Because the question does not mention that the goods were returned, should the customer not become a debtor?

As this question mentioned cash sales, there is no indication that the business knows who bought the goods (other than from the details on the cheque). The 'customer' could simply have been a visitor passing by. There is no clear relationship with the customer. That is why the answer suggests debiting 'Sales' (i.e. reversing the original transaction) rather than debiting a debtor.

If, instead, the question had specified that the cheque related to a payment from a credit customer a relationship with the customer and the debtor account could be opened.

In reality much would depend on the actual situation and the possibility of contacting the 'customer'. However, in strict accounting terms the original transaction would have been between sales and bank and the correction reverses that original entry.

What happens if the candidate needs to use additional sheets of paper?

Additional sheets of paper may be used. Please ensure that the candidate writes his/her name on each sheet and attaches to the question/answer booklet.

Level 1 - Task 5 – Would you accept 'Cash' or 'Bank' for the details of the amount restored?

Cash. The petty cashier would be receiving cash from the cashier to restore the cash float to its agreed level.

Level 1 - Task 9 – Would you accept starting with the bank statement and working towards the bank book figure. This is the true state of the business bank account and should be the way in which bank reconciliations are completed.

Yes. Examiners are aware of both approaches, have accepted both in the past and will continue to accept both in the future.

Level 1 - Task 10 – Why is the balance on the bottom line, with space above?

This is one presentational solution. Candidates would not be penalised for balancing on the first available line. Candidates need to be able to balance an account, ensure both sides are equal, and then bring down the balance.

Level 3 - Task 7 (sample paper) – Would you accept the layout of a vertical Balance Sheet (Fixed Assets, Current Assets less Current Liabilities) when calculating the opening capital (statement of Affairs).

Yes. Both vertical and horizontal layouts are acceptable.

I have always informed my students that space may be left between the last line and the total space but never above, as the business would be encouraging fraud (lines/figures could be inserted). Is this correct?

Candidates would not be penalised for leaving lines between spaces.

Some tasks have a number of parts, if a candidate doesn't complete the first part are they penalised throughout?

No. We recommend that if a candidate finds a particular question difficult they should try to complete the rest. Marks can still be awarded.

Should the adjustments in a cash book prior to reconciliation be shown at the dates in which they are recorded in the bank statement or at the date the cash book is entered up and balanced?

Both methods are used in practice and both have advocates. Either is acceptable in the examination.

What details should candidates use when they are asked to balance accounts?

The correct dates, appropriate details and the amount should be used eg if an account is to be balanced on 30 September you should use 30 Sept Balance c/d 200 and 1 Oct Balance b/d 300. Alternatively Balance c/f, Balance b/f, Bal c/f, Bal b/f are acceptable alternatives. Abbreviations such as 'bbd' or 'bcf' should be avoided as good practice.

In the case of accruals and prepayments, Balance c/d, Balance b/d and the other alternatives above should be used as opposed to 'accrued c/d' and so on.

Time is short in the examination. Can candidates use abbreviations such as CB, PL and SDB?

Candidates are encouraged to communicate clearly in accounts so full details are expected, for instance:

Sales day book
Purchase returns day book
Profit and loss account

It is unlikely that 'cash book' or 'CB' would be appropriate and the usual narratives from the cash book would be either 'Cash' or 'Bank'.

If the currency of the examination paper is \$ will candidates be penalised if they answer in £?

Answers should be in the appropriate currency so where questions are in dollars and cents the candidate response must be in dollars and cents.

When will the part exchange and revaluation of an asset be assessed?

The part exchange and revaluation of an asset would not be a likely topic for Level 2 but could be assessed at Level 3.