City & Guilds Level 3 Computerised accounting software (7574-317)

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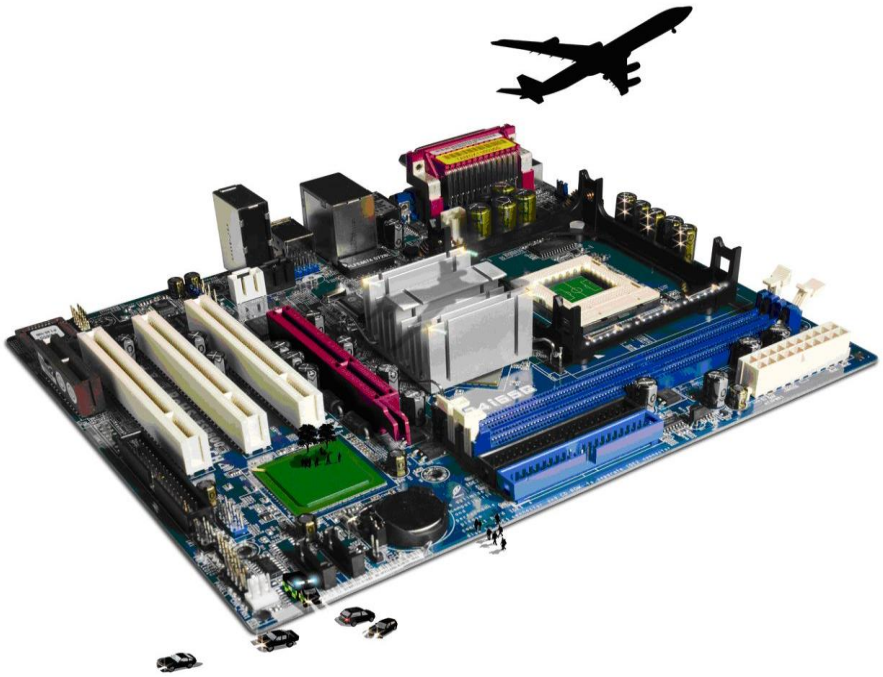
January 2024
Version 1.1

ITQ
Assignment guide for Candidates
Assignment B



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Contents

Unit 7574-317 – Computerised accounting software

Assignment B

Introduction – Information for Candidates	3
Candidate instructions	4

Level 3 Computerised accounting software (7574-317) Assignment B

Introduction – Information for Candidates

About this document

This Assignment comprises all of the assessment for **Level 3 Computerised accounting software (7574-317).**

Health and safety

You are responsible for maintaining the safety of others as well as your own. You are asked to work safely at all times.

You will **not** be allowed to continue with an assignment if you compromise any of the Health and Safety requirements.

Time allowance

The recommended time allowance for this assignment is **two and a half hours**.

Candidate instructions

Time allowance: two and a half hours

The assignment:

This assignment is made up of **four** tasks

- Task A - Installing new accounting system
- Task B - Preparing a new account prior to entering records
- Task C - Managing accounts
- Task D - Producing management reports

Scenario

You are employed as a company accountant for **Pyramid Supplies**, a small company that specialises in supplying the building trade with display furnishing and interior designers for their show houses.

Your responsibilities include: -

- Installing and updating accounting software
- Entering customer and suppler details
- Updating customer and supplier details
- Entering sales invoices
- Entering purchase invoices
- Paying invoices that are due
- Producing accounting reports and responding to accounts queries
- Designing and producing company stationary.

The company has recently been taken over and the new owner has decided to change the company name to **Phoenix Supplies**. Your manager (Mr David Brown) has set out the tasks which he sees as a priority. He would like you to try to complete as many of these tasks as possible.

It is early June and the financial year started on 1 April

Note: If you are sitting this assignment between April and June use the **previous** year for your accounts.

Read all of the instructions carefully and complete the tasks in the order given.

Task A –Installing new accounting system

Note: A maximum of 30 minutes is allocated to Task A. If extra time is required it should be outside of the allocated assessment time.

1 Create a folder in your working area or on removable media named **casL3B_XX** (where xx are your initials). Copy any supplied files (i.e. **AnswersL3B.rtf**) and save any work created for this assignment to this folder.

Using the answer sheet provided by your assessor (AnswersL3.rtf) add your initials to the end of the filename (e.g. **AnswersL3B_XX**) and save it to your work area.

2 Using your answer sheet, explain why unique customer codes are used to identify customers and suppliers.

3 Using your answer sheet, explain the advantage in giving products, services purchases or sales their own nominal/reference code number.

4 Using your answer sheet, explain the risks that could exist for data security and the procedures that could be put in place for data protection.

5 Using your answer sheet, explain the need to adhere to both legal and local guidelines when storing or using data.

6 Your assessor will provide you with some accounting software. Using either your network or a stand alone computer, demonstrate to your assessor how to install the accounting software provided any routine updates as necessary. Take a screen print of the installation process and paste it into your answer document.

Task B – Preparing a new account prior to entering records

1 Using the software that you have just installed, or returning to your normal system application, configure a new account with the following settings: -

- Company name **Phoenix Supplies**
- Address: 114 Hawkhurst Way, Orpington, Kent, NW27 9YR
- E-mail: **post@phoenix.co.coz**
- Web: www.phoenixsupplies
- Tax (VAT) registration number: 232 3232 88
- Accounting year to be 01 April XX to 31 March XX
- Company opening balance as of 01 April XX is 12500.00
- Local tax (e.g. VAT) to include 17.5% and Zero rates
- Add to or create a 20% tax code with the description – **New code 2011**
- Sales codes are to be set to the range 4000 to 4099 inclusive.
- Purchase codes must be within the range 5000 to 5099 inclusive.
- Password protect the accounts using the name: **myaccounts**
-

2 Create the following 4 customer accounts, responding to any error messages and correct any mistakes:
Company guidelines requires customers to be allocated a code which uses the first three characters of the company/customer name followed by 001 or, if that code is already in use the next available number in the series (001 … 002 … 003 etc).

Company name: Brightbuild
Contact details: Mrs Sandra White
Telephone: 01254 123 4578
E-mail: swhite@brightbuild.coz
Invoice address: 16 Wandsworth Crescent, London, SW35 7QJ
Shipping address: same
Opening balance: 0.00
Start date: 01/04/xxxx

Company name: Heritage Build
Contact details: Mr Mike Last
Telephone: 020 5056 1212
E-mail: m.last@heritage.coz.uk
Invoice address: 1 Mayfair Avenue, London, EC22 6ZZ
Shipping address: same
Opening balance: 0.00
Start date: 01/04/xxxx

Company name: Monarch
Contact details: Ms Sarah Jane
Telephone: 08256 235 6589
E-mail: sarah@monarch.eu.coz
Invoice address: 2A Buckingham Parade, Havant, SS45 8RT
Shipping address: same
Opening balance: 0.00
Start date: 01/04/xxxx

Company name: Liverpool Trust,
Contact details: Mr John Flemming
Telephone: 01997 997 4545
E-mail: johnf@ltrust.coz
Invoice address: 356 Upton Park, Liverpool, LP12 3UV
Shipping address: same
Opening balance: 0.00
Start date: 01/04/xxxx

3 Create the following 4 supplier accounts with a start date of 01/04/xxxx, responding to any error messages and correct any mistakes:

Company name: Queens Bakery
Contact details: Mr John Hemmingway
Telephone: 09987 698 12587
E-mail: john@thebakery.coz.uk
Address: 4 The Parade, Bolton, BN20 7OP

Company name: Bright Lights
Contact details: Ms Linda Bright
Telephone: 00145 235 5658
E-mail: lbright@illumination.coz
Address: 15 Oxford Street, Birmingham, BN45 1JN

Company name: Bridlington's
Contact details: Mr Henry Sherrington
Telephone: 0209 2678 5544
E-mail: None
Address: 6 Acacia Avenue, Nottingham, NN12 5YR

Company name: Luxury Décor
Contact details: Mrs Elizabeth Lewiston
Telephone: 09896 565 2347
E-mail: liz@ldecor.co.coz
Address: 48 Hendon Road, Edgeware, London, W1 6MM

4 Locate customer **Monarch** and make a note on their file that they are entitled to a 10% discount on all purchases over £2,000.00 setting any flags where possible.
Take a screen print of the entry and paste it into your answers document.

5 Having prepared the basic accounts, take a backup using a suitable version control and save it to your work area.

Task C – Managing accounts

1 A customer has moved premises and the contact details have also changed. Find and edit the customer details.

Customer	Brightbuild 5 London Road Leeds LD56 6TE Contact: Mr James Houghty E-mail: houghty@brightbuild.coz New Tel: 01665 213 8888

2 Add the following memo or note to the Brightbuild customer file:

New address and contact entered on [*Enter today's date*]

3 You have received a memo asking you to create accounts for two new suppliers where necessary using suitable supplier codes.

Supplier 1	**Supplier 2**
Company name: Edmund Bradley & Sons Contact details: Mr Tom Bradley Telephone: 0788 994 7252 Fax: 0788 994 5272 E-mail: t.bradley@ebandsons.coz.uk Invoice address: 34 Hamilton Road, Leamington, CV24 4FJ Shipping address if required: same Opening balance: 0.00 Start date: 01/05/xxxx	Company name: Clive Scott Ltd Contact details: Mrs Pam Scott Telephone: 061 765 8343 Fax: 061 765 8366 E-mail: ps@scott.coz.eu Invoice address: 23 Kenilworth Avenue, Coventry, CV2 7FK Shipping address if required: same Opening balance: 0.00 Start date: 01/05/xxxx

4 Create the following sales and purchase nominal codes.

Sales	Nominal Code	Description
	4000	Sales of furniture
	4001	Sales of carpets
	4002	Sales of lighting
	4003	Sales of electrical
	4004	Sales of soft furnishings
	4005	Sales of clothing
	4006	Sales of food
	4007	Interior design consultancy
Purchases	5000	Purchases of furniture
	5001	Purchases of carpets
	5002	Purchases of lighting
	5003	Purchases of electrical
	5004	Purchases of soft furnishings
	5005	Purchases of clothing
	5006	Purchases of food

5 Enter the following customer and supplier invoices making any adjustments necessary and responding to any transaction errors that may occur.

External Invoice	Date	Supplier	Qty	Description	Total Net Price	Tax Rate
S2579	20-04-xx	Bridlington's	6 1	Damask curtains Stainless steel kettle	450.00 35.00	Std Std
BL265	24-04-xx	Bright Lights	1	Future light fitting	109.00	Std
QB90	30-04-xx	Queens Bakery	30	Standard finger buffet	5.50	Zero
EB68	04-05-xx	Edmund Bradley & Sons	1 10	Clothes rail Childrens clothing (mixture)	35.00 48.50	Std Zero
CS0028	05-05-xx	Clive Scott Ltd	2 1 2	Leather reception chairs Mirror Table lamp	285.00 76.00 60.00	Std Std Std
LD1256	03-06-xx	Luxury Décor	1	Blue oval rug	125.00	Std

Note: As local tax may have changed according to the financial year end, use the appropriate tax rate for the financial year (e.g. 17.5% , 20% etc)

Invoice	Date	Customer	Qty	Description	Unit Price	Tax Rate
120	12-04-xx	Liverpool Trust	6 1	Damask curtains Stainless steel kettle	80.00 45.00	Std Std
121	12-04-xx	Monarch	1	Future light fitting	189.00	Std
122	14-04-xx	Heritage Build	30	Standard finger buffet	6.75	Zero
123	22-04-xx	Liverpool Trust	1 10	Clothes rail 4 – 6 yrs clothes (mixture)	56.50 6.90	Std Zero
124	27-04-xx	Brightbuild	2 1 2	Leather reception chairs Mirror Table lamp	175.00 96.00 37.50	Std Std Std
125	03-05-xx	Heritage Build	1	Blue oval rug	175.00	Std

6 You have received a memo asking you to create accounts for two new customers using suitable customer codes.

Customer 1	**Customer 2**
Company name: National Builds Contact details: Mr James Pickering Telephone: 01888 996 2222 E-mail: jpickering@nbuilds.gov.coz Invoice address: 6 Victoria Street, London, WC98 3BN Shipping address if required: same Opening balance: 0.00 Start date: 11/05/xxxx	Company name: Johnson Furnishings Contact details: Mr John Carter Telephone: 09777 396 1545 E-mail: jcarter@johnsons.coz Invoice address: 36 Queen Street, Norwich, NO35 2NN Shipping address if required: same Opening balance: 0.00 Start date: 11/05/xxxx

7 Enter the following sales credit note and two supplier credit notes.

Externa l Ref:	**Date**	**Supplier**	**Description**	**Net Price**	**Tax Rate**
BLCN8	28-04-xx	Bright Lights	Damage to Future light fitting – invoice BL265	20.00	Std
CSCN29	02-05-xx	Clive Scott Ltd	Overcharge - invoice CS0028	40.00	Std

Credit Ref:	**Date**	**Customer**	**Description**	**Net Price**	**Tax Rate**
C6	30-04-xx	Monarch	Damage to Future light fitting – invoice 121	20.00	Std

8 Three payments have been received from customers. Enter the receipts and allocate the payments to customer invoices where appropriate.

Ext. Ref:	**Date**	**Customer**	**Description**	**Amount**	
LT9124	15-04-xx	Liverpool Trust	Settles Invoice 120	Tax @ 17.5% Tax @ 20%	616.88 630.00
M125	16-04-xx	Monarch	Settles Invoice 121	Tax @ 17.5% Tax @ 20%	222.08 226.80
B2225	22-05-xx	Brightbuild	Settles Invoice 124	Tax @ 17.5% Tax @ 20%	612.18 625.20

9 You have been asked to arrange payment to the following three suppliers for the relevant invoice.

Enter the supplier payments allocating any credit notes where appropriate.

Save remittance advices to file as **Printout1a_XX**, **Printout1b_XX** and **Printout1c_XX**

Cheque	Date	Supplier Name	Details	Total Amount	
00071	23-05-xx	Bridlington's	Full payment – Invoice S2579	Tax @ 17.5% Tax @ 20%	569.88 582.00
00072	23-05-xx	Bright Lights	Full payment – Invoice BL265	Tax @ 17.5% Tax @ 20%	104.58 106.80
00073	23-05-xx	Clive Scott Ltd	Part payment on account – Invoice CS0028	N/A	500.00

10 The following payments have been made to casual or special suppliers who are not to be included in the purchase ledger as suppliers. Record the payments in the bank account.

Cheque	Date	Supplier Name	Details	Net Amount	Tax
00074	24-05-xx	Hay & Brovil	Advertising	175.00	Std
00075	24-05-xx	ShineTime	Cleaning	25.00	Std

Task D – Producing management reports

1 Produce a profit and loss report for the current financial year and save it to your working area with the name **Printout2_XX** (where XX are your initials).

2 Your manager has asked you to write down the total values for the current financial year for the categories shown below.

Run suitable reports and enter the totals of the transactions in each category on your answer sheet **AnswersL3B_XX** (where XX are your initials).

	Gross
Total sales from Profit & Loss	
Total amount owed by customers	
Total amount owed to suppliers	
Tax due for the current year	

3 You have been asked to customise the company reports to include the supplied logo (**phoenixlogo.jpg**)

Using your customised stationary, create a first payment reminder for **Liverpool Trust**. Save it with the name **Printout3_XX** in your working area**.**

4 Export a trial balance to date for the current financial year in a format that can be imported into a spreadsheet (e.g. .xls, cvs).

Save the exported file to your work area as **Export_XX** (where XX are your initials).

5 Ensure that you have checked all information and respond to any errors or problems that may have arisen then back up your data to your working folder **casL3B_XX** with a suitable name.

Check that you have saved all of your work to your working folder then shut down.

When you have finished working:

- Sign each document above your name and label all removable storage media with your name.
- Hand all paperwork and removable storage media to your assessor.

If the assignment is taken over more than one period, all paperwork and removable media must be returned to the test supervisor at the end of each sitting.

End of assignment

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