

## Level I – Basic Bookkeeping

### Manual Course

#### Examination Board - Institute of Certified Bookkeepers

**Syllabus:** the course covers the basic principles of double entry bookkeeping and how they are used in business. On completion students must be able to demonstrate their ability to understand and carry out the following:



Level I  
Manual

#### Ledger Accounts

- ✓ Explain their purpose
- ✓ Explain the difference between capital and revenue items and between real nominal and personal accounts
- ✓ Explain the significance of debit and credit entries in each of them
- ✓ Make opening entries in them
- ✓ Record the double entry of transactions for capital and revenue items
- ✓ Calculate and record their balances
- ✓ Write off bad debt
- ✓ Make correct entries for payroll transactions

#### Business Documents

- ✓ Design and produce purchase orders, sales invoices, credit notes and statements of account which include VAT and trade discount
- ✓ Understand the basic law relating to contract, the sale of goods and the retention of documents
- ✓ Understand the nature of different accounting procedures including a simple system for tracking business data
- ✓ Understand the need to have an authorisation system for ordering goods
- ✓ Understand the need for a systematic filing system as part of the general administration of a business
- ✓ Understand the importance of using recognisable documents in a standard house style
- ✓ Understand the various types of methods for ordering i.e. fax, internet

#### The Trial Balance Reports

- ✓ Explain why they are needed
- ✓ Explain the types of errors that the trial balance will/will not disclose
- ✓ Explain the action to be taken if a trial balance does not balance
- ✓ Correct any errors made in the posting of any transaction not involving the suspense account
- ✓ Prepare a trial balance report

#### Books of Original Entry

- ✓ Explain why they are needed and from what source of information they are compiled
- ✓ Explain the principles of the double entry system and the functions of the books in this regard
- ✓ Draw up the books and enter transactions
- ✓ Post from the books and enter into the ledger accounts
- ✓ Make opening journal entries from items provided
- ✓ Make journal entries for the purchase of fixed assets
- ✓ Make journal entries for the correction of errors
- ✓ Correctly set up and make entries in a two column cash book

#### Credit Control

- ✓ Understand the importance of credit control within a business
- ✓ Explain the importance of credit control ensuring that payments are made on time and overdue debts are reviewed

#### Security of Data

- ✓ Understand the basic principles of Data Protection Act
- ✓ Understand the functions and services of banks
- ✓ Describe the treatment of cheques, direct debit, standing orders, credit transfers, giro credits, CHAPS, BACS credit and debit cards
- ✓ Use cheque books and paying in slips correctly

Once students have achieved the **Level I Certificate in Manual Bookkeeping** they may take  
**Level II - Manual OR Computerised Bookkeeping**