

Level III – Diploma in Manual

or Computerised Bookkeeping

Examination Board - Institute of Certified Bookkeepers

Syllabus: Having achieved the **Level II** qualification in either manual or computerised bookkeeping, students may progress to the **Level III Diploma**. Students must be able to demonstrate their ability to understand and carry out the following functions:



Level III
Man or
Comp

Post Trial Balance Adjustments & Provisions

Make correct entries within the accounts for accruals and prepayments, depreciation, the provision of doubtful debts and closure of accounts at the year end

Disposal of Fixed Assets

- 1) Make correct entries in the accounts for the disposal of fixed assets including part exchange
- 2) Transfer the profit or loss on the disposal of a fixed asset to the profit and loss account
- 3) Calculate depreciation of remaining fixed assets after disposal (assume full depreciation in the year of acquisition and no depreciation in the year of disposal)

Concepts

Explain the meaning of the terms business entity, going concern and accruals concept

Partnerships

- 1) Explain the legal aspects of a partnership formation
- 2) Compile trading, profit and loss and appropriation accounts, together with a balance sheet for a partnership
- 3) Compile partners capital and current account
- 4) Apply profit sharing ratio changes to partnership accounts
- 5) Produce the necessary calculations for the admission of a new partner and the retirement of a partner including treatment of goodwill

Stock Control

Calculate closing stock using first in first out (FIFO), last in first out (LIFO) and average cost of stock (AVCO)

Extended Trial Balance

Analyse and develop given information to produce an extended trial balance

Incomplete Records

- 1) Calculate owner's capital account by the compilation of a statement of affairs. Calculate sales and purchases using control accounts or a similar method
- 2) Using conventional book-keeping procedures, derive any other missing figures from given data
- 3) Analyse and make use of given data to calculate profit by comparison of capital methods
- 4) Produce a set of complete final accounts from a set of incomplete records

Manufacturing Accounts

- 1) Prepare the manufacturing account identifying prime cost and total cost of production
- 2) Prepare a trading and profit and loss account
- 3) Prepare a balance sheet

Limited Companies

- 1) Explain the nature of limited liability and company account requirements
- 2) Understand the need for maintaining a fixed asset register where applicable
- 3) Produce a set of final accounts for a limited liability company
- 4) Produce the ledger work required for the issue of shares and debentures

Data Protection

Demonstrate an understanding of the principles of the Data Protection Act