



REPUBLIC OF KENYA

NATIONAL OCCUPATIONAL STANDARDS

FOR ACCOUNTANCY TECHNICIAN

**KNQF LEVEL 6
CYCLE 3**

ISCED CODE: 0411 551A



**TVET CDACC
P.O. BOX 15745-00100
NAIROBI**

CARRY OUT FINANCIAL ACCOUNTING

UNIT CODE: 0411 551 10A

TVET CDACC UNIT CODE: BUS/OS/AC/CR/02/6/MA

UNIT DESCRIPTION

This unit specifies the competencies required to carry out financial accounting. It involves accounting for assets and liabilities, preparing financial statements of a sole trader, a company, a manufacturing entity, a not-for-profit making organization, analysing financial statements and carrying out public sector accounting.

ELEMENTS AND PERFORMANCE CRITERIA

ELEMENT These describe the key outcomes which make up workplace function .	PERFORMANCE CRITERIA These are assessable statements which specify the required level of performance for each of the elements. <i>Bold and italicized terms are elaborated in the range.</i>
1. Account for assets and liabilities	1.1 <i>Organization assets</i> are determined as per the accounting standards. 1.2 <i>Organizational liabilities</i> are determined as per the accounting standards. 1.3 Plant, property and equipment movement schedule is prepared as per the accounting standards.
2. Prepare financial statements of a partnership	2.1 Partnership income statement is prepared as per the accounting standards. 2.2 Partnership financial position statement is prepared as per accounting standards. 2.3 Changes in partnership – admission of a new partner, retirement and change are established as per partnership deed. 2.4 Partnership profit sharing ratio is applied as per the partnership deed.

3. Prepare financial statements of a company	<p>3.1 Income statement is prepared as per the accounting standards.</p> <p>3.2 Statement of financial position is prepared as per the accounting standards</p> <p>3.3 Financial statements under incomplete information are prepared as per accounting standards.</p>
4. Prepare financial statements of a manufacturing entity	<p>4.1 Features of a manufacturing entity are identified as per accounting standards.</p> <p>4.2 Costs between manufacturing selling and administration are Classified and apportioned as per accounting standards.</p> <p>4.3 Manufacturing account, income statement and statement of financial position is prepared as per accounting standards.</p>
5. Prepare financial statements of a not-for-profit making organization	<p>5.1 Non-profit making Features are determined as per the organizational requirements</p> <p>5.2 Funds and their accounting treatment are established as per the work place requirements.</p> <p>5.3 Income and expenditure account are prepared as per the accounting principles.</p> <p>5.4 Statement of financial position is drafted as per the accounting principles.</p>
6. Analyse financial statements	<p>6.1 Categories of cash are identified as per the accounting principles.</p> <p>6.2 Methods of preparing statement of cash flows are determined as per accounting standards.</p> <p>6.3 Statement of cash flows is prepared as per accounting standards.</p> <p>6.4 Ratios are analysed as per the accounting principles.</p>
7. Carry out public	6.1 Public sector entities are identified as per the international

sector accounting	<p>public sector accounting standards (IPSAS)</p> <p>6.2 Regulatory and oversight structures are identified as per IPSAS.</p> <p>6.3 Public sector accounting sector techniques are applied as per the IPSAS.</p> <p>6.4 Public sector accounts are carried out as per the IPSAS.</p>
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RANGE

This section provides work environments and conditions to which the performance criteria apply. It allows for different work environment and situations that will affect performance.

Variable	Range
1. Organization assets may include but not limited to:	<ul style="list-style-type: none"> • Non -current assets: Property, plant and equipment • Intangible assets – recognition, measurement (amortization, impairment and revaluation), • Disposals and disclosures • Financial assets • Current assets: stock, debtors
2. Organizational liabilities may include but not limited to:	<ul style="list-style-type: none"> • Loans – Accounting treatment of repayment of principal and interest • Creditors

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit of competency.

Required skills

The individual needs to demonstrate the following skills:

- Analytical

- Critical thinking
- Decision making
- Communication
- Time management
- Planning
- Organizing
- Directing

Required knowledge

The individual needs to demonstrate knowledge of:

- The accounting framework
- Sources of regulations at national and global levels; the law (Companies Act), professional bodies, global regulatory bodies
- Accounting standards (IASs/IFRSs) (their importance and limitations) -
- Professional ethics

EVIDENCE GUIDE

This provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge and range.

1. Critical Aspects of Competency	<p>Assessment requires evidence that the candidate:</p> <ul style="list-style-type: none"> 1.1 Accounted for assets and liabilities as per accounting principles. 1.2 Prepared Financial statements of a sole trader as per accounting standards. 1.3 Prepared Financial statements of a partnership as per accounting standards. 1.4 Prepared Financial statements of a company as per accounting standards. 1.5 Prepared Financial statements of a manufacturing entity as per accounting standards.
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	<p>1.6 Prepared Financial statements of a not-for-profit making organization as per accounting standards.</p> <p>1.7 Analyzed financial statements as per accounting standards.</p> <p>1.8 Demonstrated the ability to carry out Public Sector Accounting as per IPSAS.</p>
2. Resource Implications	<p>The following resources should be provided:</p> <p>2.1 Access to relevant workplace where assessment can take place or appropriately simulated environment where assessment can take place</p> <p>2.2 Materials relevant to the proposed activity or tasks</p>
3. Methods of Assessment	<p>Competency in this unit may be assessed through:</p> <p>3.1 Practical</p> <p>3.2 Projects</p> <p>3.3 PoE evaluation</p> <p>3.4 Third party reports</p> <p>3.5 Written tests</p>
4. Context of Assessment	<p>4.1 The competency may be assessed in a workplace or a simulated workplace</p>
5. Guidance information for assessment	<p>5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.</p>