



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**

CONDUCT MANAGEMENT ACCOUNTING

UNIT CODE: 0411 551 14A

TVET CDACC UNIT CODE: BUS/OS/AC/CR/07/6/MA

UNIT DESCRIPTION

This unit specifies the competencies required to conduct management accounting. It involves gathering costing data, performing cost classification, analysing costing data, managing accounting costs, consolidating financial and cost accounting systems, applying costing methods, preparing marginal and absorption costing and managing budgets and budgetary controls.

ELEMENTS AND PERFORMANCE CRITERIA

ELEMENT	PERFORMANCE CRITERIA
These describe the key outcomes which make up workplace function .	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. Gather costing data	1.1 Operating costs, administration and finance cost data are established as per the work place procedures. 1.2 Costing data is collected as per work place procedures. 1.3 The ideal cost accounting system is selected as per workplace requirements.
2. Perform cost classification	2.1 Costing data is coded and classified as per organizational policy. 2.2 Costing data is reviewed as per the organizational policy. 2.3 Cost classification methods are identified and selected as per the organization policy.

3. Analyse costing data	<p>3.1 Cost estimation methods are selected and applied as per organizational procedures.</p> <p>3.2 Data is reconciled as per the organizational procedures.</p> <p>3.3 Cost data is analysed as per the work place procedures.</p> <p>3.4 Costs data is interpreted as per organizational performance objectives.</p> <p>3.5 Cost pricing is determined as per work place procedures.</p>
4. Manage accounting costs	<p>4.1 Elements of cost are identified as per the organizational objectives.</p> <p>4.2 Costing procedures are developed as per the organizational requirements.</p> <p>4.3 Cost element valuation methods are selected as per the organizational requirements.</p> <p>4.4 Cost records are maintained as per the organizational requirement.</p> <p>4.5 Cost control procedures are developed as per the organizational requirement.</p>
5. Consolidate financial and cost accounting systems	<p>5.1 Financial transactions are analyzed as per specific accounts.</p> <p>5.2 Journal entries are recorded based on the double entry concept.</p> <p>5.3 Entries are adjusted at the end of each accounting period.</p> <p>5.4 Ledger systems are integrated and interlocked as per the accounting period.</p>
6. Apply costing methods	<p>6.1 Costing methods are selected as per organizational policy.</p>

	<p>6.2 Input cost data is recorded based on the selected method.</p> <p>6.3 Cost data is analyzed as per the selected method.</p> <p>6.4 Cost per unit is determined as per accounting procedures.</p>
7. Prepare marginal and absorption costing	<p>7.1. <i>Costing techniques</i> are selected as per accounting procedures.</p> <p>7.2. Marginal and absorption statements are prepared as per accounting procedures.</p> <p>7.3. Marginal and absorption profits/losses are reconciled as per accounting procedures.</p> <p>7.4. Costs, sales and profits are analysed as per accounting procedures.</p> <p>7.5. Planning decision is determined as per accounting procedures.</p>
8. Manage budgets and budgetary controls	<p>8.1. Budgets are prepared as per the organizational requirements.</p> <p>8.2. Budget estimates are forecasted as per the organizational requirements.</p> <p>8.3. Budgets are documented as per the organizational requirements.</p> <p>8.4. Budget estimates are implemented as per the organizational requirements.</p> <p>8.5. Budget outcomes are monitored as per the organizational requirements.</p> <p>8.6. Budget outcomes evaluated as per the organizational requirements.</p>

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. Costing methods may include but not limited:	<ul style="list-style-type: none">• Job order costing• Batching• Process costing• Service costing• Unit costing
2. Costing techniques may include but not limited:	<ul style="list-style-type: none">• Marginal• Absorption

REQUIRED KNOWLEDGE AND UNDERSTANDING

The individual needs to demonstrate knowledge of:

- Mathematics
- Economics
- Financial accounting
- Law
- Statistics

SKILLS

The individual needs to demonstrate the following skills:

- Critical thinking
- Communication
- Analytical.
- Report writing.

- Problem solving
- Innovative
- Creativity

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 Gathered costing data 1.2 Performed Cost classification 1.3 Analysed costing data 1.4 Managed accounting costs 1.5 Consolidated financial and cost accounting systems 1.6 Applied costing methods 1.7 Prepared marginal and absorption statements 1.8 Managed budgets and budgetary controls
2. Resource Implications	<p>The following resources should be provided:</p> <ul style="list-style-type: none"> 2.1 Access to relevant workplace where assessment can take place 2.2 Appropriately simulated environment where assessment can take place 2.3 Materials relevant to the proposed activity or tasks
3. Methods of Assessment	<p>Competency in this unit may be assessed through:</p> <ul style="list-style-type: none"> 3.1 Practical 3.2 Projects 3.3 Poe evaluation 3.4 Third party reports 3.5 Written tests
4. Context of	4.1 The competency may be assessed in a workplace or a

Assessment	simulated workplace
5. Guidance information for assessment	5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.