INSTITUTE OF ACCOUNTANTS AND BOOKKEEPERS

Qualification Specification

IAB Level 1 Award in Computerised Bookkeeping

Qualification Number: 601/9050/4

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Document history

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V4.0 August 2026	Review and minor revisions made and reformatted	AO Director	Professional Standards Committee (PSC)
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V2.0 February 2022	Review and amendments	Head of Awarding	Qualification Development Team
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Contents

Introduction

The objective of this Qualification Specification is to provide an overview of the IAB Level 1 Award in Computerised Bookkeeping.

This document includes the aim, size, level, structure and content, including learning outcomes and assessment criteria.

There is guidance relating to the centre approval requirements, delivery and assessment for this qualification, and details of grading criteria and the grading of units.

Purpose of the qualification

Learners who complete the qualification successfully will have basic knowledge, understanding and skills that will enable them to use a commercial computerised accounting package to carry out routine accounting tasks from data they are given. They will be able to recognise the concept on which double-entry processing is based and be able to use some of the basic terms associated with bookkeeping and accounting.

They will also understand the need to maintain the security of a computerised accounting system, the importance of the confidentiality of data, and be able to use a backup function to safeguard against the loss of data.

The qualification introduces learners to some of the source documents commonly used in business for recording transactions in an accounting system. It will give them the skills to process data from source documents. They will be able to use the functions within a computerised accounting package to process purchases and sales, the payment of business expenses and the taking of drawings by the business owner. They will also be able to process receipts and payments through the business bank account and petty cash account, where payment is made or received in cash, by cheque, plastic card, BACS or other automated payment methods. They will also have the skills to account for VAT.

Successful completion of the qualification will give learners the skills required to set up a computerised accounting system for a sole trader by entering opening account balances onto the system. They will also be able to set up customer and supplier accounts. On completing the qualification, learners will have progressed to the stage whereby they can reconcile the balance on the bank current account of the business and use the computerised accounting system to generate simple reports.

Target learners

The Level 1 Award in Computerised Bookkeeping qualification has been designed to appeal to learners:

- starting their studies in the subject of computerised bookkeeping from a point of no previous knowledge or experience
- in employment and with some limited basic bookkeeping knowledge and skills who want

to formalise their competence by gaining a recognised accredited qualification in computerised bookkeeping

- returning to study and/or work after a study or career break
- considering a change in career
- considering a career as a self-employed practitioner
- and owners of small businesses wanting an introduction to bookkeeping so that they can personally keep computerised records for their business and make full use of the functions that a computerised accounting package offers.

Entry requirements

The entry requirements below are for guidance only as applicants may apply with various backgrounds and qualifications.

Approved IAB Centres are responsible for checking applications against the following entry requirements and ensuring learners can fulfil the demands of the qualification before registration.

There are no formal entry requirements for the IAB Level 1 Award in Computerised Bookkeeping qualification. However, it is recommended that prospective learners have acquired basic skills in both numeracy and literacy prior to starting their studies in this subject area.

Progression

Holders of the Level 1 Award in Computerised Bookkeeping qualification may progress to another qualification at:

- Level 1 carrying with them credits for units achieved to expand their knowledge and skills in the subject area
- a higher level, thereby developing their knowledge and skills in the subject area.

Qualification size, level and structure

The Office of Qualifications and Examinations Regulation (Ofqual), and CCEA regulate qualifications, examinations, and assessments in England, and Northern Ireland. The IAB Level 1 Award in Computerised Bookkeeping is a vocationally-related qualification on the Ofqual and CCEA Register of Regulated Qualifications.

Qualification size

The Total Qualification Time (TQT) and Guided Learning Hours (GLH) for this qualification are as follows:

Total Qualification Time (TQT)	Guided Learning Hours (GLH)
60 hours	35 hours

TQT, including GLH, is calculated by considering the different activities that learners would typically complete to achieve and demonstrate the learning outcomes of the qualification.

Individual learners' requirements and individual teaching styles mean there may be variation in the actual time taken to complete a qualification.

Values for TQT, including GLH, are estimates.

Some examples of activities that can contribute to TQT include:

- independent and unsupervised research/learning
- unsupervised e-learning
- unsupervised e-assessment
- unsupervised coursework
- watching a pre-recorded podcast or webinar
- unsupervised work-based learning
- all GLH.

Some examples of activities that can contribute to GLH include:

- classroom-based learning supervised by a teacher
- work-based learning supervised by a teacher
- live webinar or telephone tutorial with a teacher in real time
- e-learning supervised by a teacher in real time
- all forms of assessment that take place under the immediate guidance or supervision of a teacher, supervisor, tutor or other appropriate provider of education or training.

Qualification level

This qualification is at Level 1 on the Register of Regulated Qualifications in England and Northern Ireland.

IAB qualifications comply with level descriptors set by Ofqual, which are divided into two categories:

- knowledge and understanding
- skills.

The descriptors below set out the generic knowledge and skills associated with the typical holder of a qualification at that level.

Knowledge descriptor The learner:	**Skills descriptor** The learner can:
• has basic factual knowledge of a subject and/or knowledge of facts, procedures, and ideas to complete well-defined routine tasks and address simple problems • is aware of aspects of information relevant to the area of study or work.	• use basic cognitive and practical skills to complete well-defined routine tasks and procedures • select and use relevant information • identify whether actions have been effective.

Qualification structure

The qualification is made up of two mandatory units. The structure, units, sizing information and assessment types for the IAB Level IAB Level 1 Award in Computerised Bookkeeping are set out in the following table.

Unit title	GLH	Assessment method
Introduction to computerised accounting	5	Online knowledge test (1 hour)
Set up a computerised accounting system and process data	30	Sage Business Cloud online assignment (2.5 Hours)
Total	35	

Assessment, achievement and grading

Methods of assessment

The online knowledge test is delivered online via the IAB Education platform and the online assignment via the Sage platform. Pilot assessments are provided for the purposes of practice and revision. Pilot assessments are not timed and can be undertaken as many times as the learner chooses. Once the pilot assessment is passed, the learner can attempt the live assessment. Live assessments are timed.

Non-programmable calculators are required to complete the assessments.

Please note that mobile phones cannot be used to sit these assessments as some required functionality will not be available.

Delivering assessments

The IAB 'Assessment Delivery Policy' applies to all IAB qualifications and assessments and must be followed by approved centres to ensure that IAB assessments are delivered in accordance with the requirements.

A copy of this policy is made available to centres upon approval. The policy can also be requested from the IAB Awarding Organisation team at ao@iab.org.uk.

Marking and moderation

All marking is completed automatically by the IAB Education and Sage platforms against the relevant assessment criteria and mark schemes. Moderation is a process undertaken following the marking of assessments prior to a result being released to learners. Moderation acts as a filter, which ensures that an assessment outcome (for example a mark and / or grade) is fair, valid, and reliable. Moderation ensures that the mark scheme was applied correctly, all parts of the assessment were marked and that the marks were totalled and recorded correctly

Achievement and grading

To achieve the qualification, learners must take and pass the assessments for the two mandatory units of which the qualification is comprised. To pass an assessment, the learner must achieve:

60% or above for the online knowledge test

70% or above for the online assignment

There are no grade scales – learners will receive either a pass or a fail result.

Certification

Upon confirmation of achievement of the two mandatory units, the learner will receive an IAB Level 1 Award in Computerised Bookkeeping. The certificate will carry the full name of the learner as registered.

Reasonable adjustment

As an Awarding Organisation, the IAB has a duty not to discriminate against individuals in relation to conferring qualifications regarding the protected characteristics set out in the Equality Act 2010. The IAB will take steps when developing specifications, identifying the assessment criteria, and drafting assessment content to minimise the impact on individuals with differing protected characteristics.

The duty of the IAB to make a reasonable adjustment will apply where assessment arrangements would put a learner who has a disability or learning need at a substantial disadvantage compared to a learner who does not have a disability or learning need. In such circumstances, the IAB must take steps to mitigate that disadvantage.

Please refer to the Centre Area of the IAB website www.iab.org.uk for a copy of the policy and associated procedure.

Results enquiries and appeals

Please refer to the Centre Area of the IAB website www.iab.org.uk for further information about the process, procedures and policies for making a results enquiry and/or an appeal.

Unit specifications

The unit specifications (*see* below) indicate the content, in terms of learning outcomes and assessment criteria, of each of the two mandatory units within the Level 1 Award in Computerised Bookkeeping qualification.

All the learning outcomes and assessment criteria must be covered by providers when delivering the qualification. Each live assessment covers a selection of the unit learning outcomes and assessment criteria and full coverage is achieved across the live assessment variations for each unit.

The content of the assessments is subject to ongoing review by the IAB and changes periodically.

Unit	Introduction to computerised accounting		
Level	1		
GLH	5	TQT	10

Learning Outcomes	Assessment Criteria
1 Understand the basics of computerised accounting	1.1 Understand the system of recording business transactions known as 'double entry' and recognise the dual aspect concept as being the concept on which double entry is based 1.2 Recognise the elements within the accounting equation and understand the terms assets, capital, and liabilities. 1.3 Recognise the term 'sole trader' and understand the characteristics of a sole trader type entity in terms of ownership, control, and owner's personal financial liability. 1.4 Understand the purpose of the following within a computerised accounting system: • the nominal ledger • ledger accounts • debtor and creditor control accounts • supplier and customer files 1.5 Understand the use of account codes and the purpose of the chart of accounts 1.6 Understand the purpose of the trial balance 1.7 Understand the purpose of the bank reconciliation statement 1.8 Understand the purpose of the summary audit trail 1.9 Understand the link between the processing system and the financial statements (profit and loss account and balance sheet) 1.10 Recognise the following security measures designed to protect computer hardware, software and restrict access to the computerised accounting system: • measures to restrict unauthorised access to premises and offices where computer and confidential information is kept • measures to protect the computer system and software from corruption viruses, hackers, and predators • the use of passwords to restrict access to computer systems

2 Understand accounting terms	2.1 Understand the following accounting terms: • income (capital and revenue) • expenditure (capital and revenue) • drawings • cash purchases and sales • credit purchases, sales and returns. • cash (notes and coins), cheque, automated payment (BACS, plastic card, debit, and credit card), standing order and direct debit. • discounts (trade and prompt payment) • wages and salaries (gross pay, deductions from pay, and net pay) • petty cash • imprest system (petty cash)
3 Recognise source documents	3.1 Recognise the following source documents and understand their purpose: • invoice • credit note • customer/supplier statement of account • remittance advice • receipt (to support a payment made in cash, by cheque or plastic card) • summaries of takings (to support cash sales) • cheque book counterfoil • paying in slip • bank statement • petty cash voucher 3.2 Understand the HMRC rules relating to the retention of source documents
4 Understand the basics of the VAT system	4.1 Recognise the government agency responsible for administration of the VAT system 4.2 Understand the terms 'input tax/purchase tax' and 'output tax/sales tax' 4.3 Recognise rates of VAT 4.4 Understand the VAT terms 'exempt' and 'outside the scope' 4.5 Recognise VAT Tax codes 4.6 Understand the requirements of HMRC VAT legislation relating to the calculation of VAT where prompt payment discounts are offered 4.7 Understand the use of VAT sales tax and purchase tax accounts

Unit	Set up a computerised accounting system and process data		
Level	1		
GLH	30	**TQT**	50

Learning Outcomes	Assessment Criteria
1 Enter data into a computerised accounting package	1.1 Enter data accurately, for example: • company name and address • financial year • program date • customer details • supplier details • nominal account name • VAT scheme
2 Record customer and supplier invoices and credit notes	2.1 Enter information taken from invoices and credit notes into the correct customer and supplier accounts, ensuring the following information is entered accurately: • nominal code • invoice/credit note date • appropriate unique reference • appropriate details • amount
3 Process payments received from customers and made to suppliers	3.1 Identify amounts due from customers and amounts due to suppliers 3.2 Allocate cash, cheques, and direct bank payments received to the correct customer and nominal accounts ensuring the correct reference and date is used, for example: • full payment • part payment • allocation of relevant credit notes • payments on account • relevant or appropriate settlement discount
4 Correct transaction errors	4.1 Make simple corrections to sales, purchase and nominal accounts, for example: • change the customer, supplier or nominal account used • change the document reference • change the amount

5 Carry out a bank reconciliation	5.1 Match individual items on the bank statement against the computer bank record as at a given date 5.2 Reconcile the computer bank record as at a given date
6 Prepare and produce financial documents to be sent to credit customers	6.1 Use appropriate source documents to prepare service invoices and credit notes to include sales tax (e.g. VAT) and trade discount 6.2 Update the appropriate ledgers
7 Maintain the petty cash account	7.1 Introduce a petty cash float 7.2 Enter petty cash vouchers ensuring that the correct amount is entered into nominal and tax accounts 7.3 Ensure that petty cash transactions are entered into the correct nominal code 7.4 Calculate the net value of a petty cash transaction to ensure the sales tax (e.g. VAT) is recorded accurately using the relevant software tool 7.5 Identify the amount required to restore the petty cash float and carry out the transaction necessary to do so
8 Produce reports using selection criteria and parameters	8.1 Produce a variety of routine reports using correct selection criteria and parameters, for example: • customer and supplier address list • customer and supplier histories/activity reports • aged debtor and aged creditor analysis • nominal account histories/activity report • remittance advice note • customer statements • bank statement • trial balance • audit trail (summary only) • reconciled and non-reconciled bank transactions
9 Identify simple data protection, storage and security issues	9.1 Identify data security risks when operating a computerised accounting system 9.2 Identify how the data may be protected against fire, theft or computer breakdown 9.3 Identify how data may be used and stored in accordance with legal requirements or guidelines

Sample assessments

The IAB has deliberately not included sample assessment questions within this qualification specification. Pilot assessments for the knowledge test and assignment are provided on the IAB Education and Sage platforms for the purposes of practice and revision. Pilot assessments are not timed and can be undertaken as many times as the learner chooses.

Delivering IAB qualifications

Staffing and physical resource requirements for centres

The IAB, in line with regulatory requirements, has a Centre Agreement in place which covers the two-way obligations between the IAB as the Awarding Organisation and each centre delivering our qualifications. A key section of this agreement is to ensure a professional approach to the delivery of teaching, learning and assessment, leading to the best learner experience.

Each centre engaged with the IAB is required to ensure viable levels of staffing, managerial and financial resources are in place to enable it to effectively and efficiently deliver the qualifications as required by the Awarding Organisation.

Quality assurance

Any centre approved to offer IAB qualifications is subject to a rigorous quality assurance regime to ensure compliance with the requirements set out in the Centre Agreement and any regulatory conditions. This regime includes, but is not limited to, policy and procedure review, performance review, on-site monitoring visits and virtual interviews to assess how well that centre operates in delivering IAB qualifications.

IAB policies and procedures

Policies and procedures are in place to provide a framework and outline the IAB's approach and objectives for key areas along with defined processes to be followed. These documents ensure credibility, compliance, consistency, and quality in the design, delivery, and awarding of qualifications. Relevant policies are issued to approved centres alongside Centre Agreements. These can also be accessed by contacting our awarding organisation team via ao@iab.org.uk

Examples of the Policies that can be found include, but are not limited to:

- Adverse Effects
- Anti-Bribery and Anti-Corruption
- Assessment Delivery
- Complaints
- Conflict of interest

- Contingency Plan
- Enquiries and appeals
- Equality, Diversity and Inclusion
- Malpractice and Maladministration
- Plagiarism, Collusion and Cheating
- Reasonable Adjustments
- Recognition of Prior Learning
- Results and Certification
- Sanctions
- Special Considerations
- Withdrawal of approval

Centres delivering IAB qualifications should refer to the relevant policy for guidance as appropriate.

Equality and diversity

The IAB is committed to ensuring an inclusive, safe and welcoming environment for all learners undertaking its qualifications. Our Equality, Diversity and Inclusion Policy requires all learners to have equal opportunity to access our qualifications and assessments, and our qualifications to be awarded in a way that is fair to every learner.

Approved centres delivering IAB qualifications must have a policy relating to equal opportunities, diversity and inclusion to ensure a positive learning environment is provided to all learners. This is reviewed and assessed as part of our monitoring process which may include on-site inspections.

Contact us

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