

Unit Title:	Recording receipts and payments
OCR unit number:	M4
Level	1
Credit value:	1
Guided learning hours:	5
Unit reference number:	L/600/8745

Unit purpose and aim

The purpose of this unit is to develop the learners' skills in maintaining a two column analysed cash book and reconciling it to the bank statement.

Learning outcomes	Assessment criteria	Knowledge, understanding and skills
<p>The learner will:</p> <p>1 Maintain a two column analysed cash book</p>	<p>The learner can:</p> <p>1.1 Enter receipts and payment details from relevant primary records into the two column analysed cash book</p> <p>1.2 Enter sales tax (eg VAT)</p> <p>1.3 Total, balance and cross check the cash book</p>	<ul style="list-style-type: none"> • Enter balances brought forward from previous month, in credit and overdrawn as appropriate • Appropriate date reference for each transaction • Correct narrative for each transaction • Identify correct side of cash book and correct columns for each transaction • Enter cheque numbers for bank payments • Enter VAT correctly • Correct procedures for balancing cash book • Accurately calculate and enter cash balance to carry down • Accurately calculate and enter bank balance to carry down • Accurately calculate and enter cash and bank totals • Cross check cash book

Learning outcomes	Assessment criteria	Knowledge, understanding and skills
		<ul style="list-style-type: none"> • Correctly enter cash and bank balances brought down
<p>2 Reconcile the bank statement with the cash book</p>	<p>2.1 Check individual items on the bank statement against the cash book</p> <p>2.2 Update the cash book from the bank statement</p> <p>2.3 Prepare a bank reconciliation statement</p>	<ul style="list-style-type: none"> • Check individual items on the bank statement against the cash book • Update cash book by entering details and references of bank payments, for example: <ul style="list-style-type: none"> - standing order - direct debit - Clearing House Automated Payment System (CHAPS) - funds transfers • Update Bank receipts, for example: <ul style="list-style-type: none"> - Bankers Automated Clearing System (BACS) - bank giro credit - Clearing House Automated Payment System (CHAPS) - funds transfers • Accurately update cash book from details of transactions that appear on bank statement • Accurately calculate and enter updated bank balance to carry down • Accurately calculate and enter updated bank totals • Enter updated bank balance brought down • Prepare and date a bank reconciliation statement showing full details of unpresented cheques and bank lodgements • Reconcile with balance as per bank statement.

Assessment

Assessment will consist of candidates completing a 45 minute assignment set and marked by OCR. There will be 10 minutes reading time before the 45 minute assignment starts. The assignment may be taken at any time convenient to the centre and the candidate, but must be taken under examination conditions.

Results will be graded Pass or Fail.

Evidence requirements

Candidates must complete the assignment for this unit within the stated fault tolerances in order to satisfy the evidence requirements.

Guidance on assessment and evidence requirements

All elements included in the 'Knowledge, understanding and skills' section can be included in the assignment.

Details of relationship between the unit and national occupational standards

This unit was developed from the national occupational standards for Accountancy and Finance.

Additional information

For further information regarding administration for this qualification, please refer to the OCR document '*Admin Guide: Vocational Qualifications*' (A850) on the OCR website www.ocr.org.uk .