Unit Title:	**Processing ledger transactions and extracting a trial balance**
OCR unit number:	M8
Level:	2
Credit value:	2
Guided learning hours:	17
Unit reference number:	F/600/8760

Unit purpose and aim

The purpose of this unit is to develop the learners' skills in balancing off the accounts held within the ledgers and from them preparing an initial trial balance.

Learning outcomes	Assessment criteria	Knowledge, understanding and skills
The learner will:	**The learner can:**	
1 Process ledger transactions from the books of prime entry	1.1 Transfer data correctly from the day books to the ledgers	• Enter existing balances into correct ledger accounts, correct date, narrative and amount • Enter transactions from purchase, purchase returns, sales and sales returns day books into correct double entry accounts, correct date, narrative and amount
	1.2 Transfer data correctly from the cashbook to the ledgers	• Enter transactions from cash book into correct double entry accounts, correct date, narrative and amount
	1.3 Transfer data correctly from the petty cash book to the ledgers	• Enter transactions from petty cash book into correct double entry accounts, correct date, narrative and amount

Learning outcomes	Assessment criteria	Knowledge, understanding and skills
2 Prepare ledger balances and an initial trial balance	2.1 Balance ledger accounts clearly showing balances carried down and brought down as appropriate	• Use correct procedure for balancing ledger accounts, distinguish between debit and credit balances • Enter balances to be carried down, totals and balances brought down
	2.2 Extract an initial trial balance	• Use correct procedure for construction of a trial balance • Enter date and correct column headings for debit and credit balances • Enter balances into trial balance to prove that double entry has been completed in the case of each transaction • Accurately total both debit and credit columns and ensure they agree

Assessment

Assessment will consist of candidates completing a 2 hour assignment set and marked by OCR. There will be 10 minutes reading time before the 2 hour 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 .