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**REPUBLIC OF KENYA**

**NATIONAL OCCUPATIONAL STANDARDS**

**FOR**

**ACCOUNTANCY TECHNICIAN**

**LEVEL 6**

**ISCED CODE: 0411 551A**

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# FOREWORD

The provision of quality education and training is fundamental to the Government’s overall strategy for social economic development. Quality education and training will contribute to achievement of Kenya’s development blueprint, Vision 2030 and sustainable development goals.

Reforms in the education sector are necessary for the achievement of Kenya Vision 2030 and meeting the provisions of the Constitution of Kenya 2010. The education sector had to be aligned to the Constitution of Kenya 2010 and this resulted in the formulation of the Policy Framework for Reforming Education and Training (Sessional Paper No. 4 of 2016). A key feature of this policy is the radical change in the design and delivery of the TVET training. This policy document requires that training in TVET be competency based, curriculum development be industry led, certification be based on demonstration of competence and mode of delivery allows for multiple entry and exit in TVET programmes.

These reforms demand that Industry takes a leading role in curriculum development to ensure the curriculum addresses its competence needs. It is against this background that these Occupational Standards were developed for developing a competency-based curriculum for Accountancy Technician Level 6. These Occupational Standards will also be the basis for assessment of an individual for competence certification.

It is my conviction that these Occupational Standards will play a great role towards development of competent human resource for the business sector’s growth and sustainable development.

# PREFACE

Kenya Vision 2030 aims to transform the country into a newly industrializing, “middle-income country providing a high-quality life to all its citizens by the year 2030”. Kenya intends to create a globally competitive and adaptive human resource base to meet the requirements of a rapidly industrializing economy through life-long education and training. TVET has a responsibility of facilitating the process of inculcating knowledge, skills and attitudes necessary for catapulting the nation to a globally competitive country, hence the paradigm shift to embrace Competency Based Education and Training (CBET).

The Technical and Vocational Education and Training Act No. 29 of 2013 and Sessional Paper No. 14 of 2012 on Reforming Education and Training in Kenya, emphasized the need to reform curriculum development, assessment and certification. This called for a shift to CBET to address the mismatch between skills acquired through training and skills needed by industry as well as increase the global competitiveness of Kenyan labor force.

The TVET Curriculum Development, Assessment and Certification Council (TVET CDACC), in conjunction with Business Sector Skills Advisory Committee (SSAC) have developed these Occupational Standards for Accountant. These standards will be the basis for development of competency-based curriculum for Accountancy Technician Level 6.

The occupational standards are designed and organized with clear performance criteria for each element of a unit of competency. These standards also outline the required knowledge and skills as well as evidence guide.

I am grateful to the Council Members, Council Secretariat, Business SSAC, expert workers and all those who participated in the development of these Occupational Standards.

# ACKNOWLEDGMENT

These Occupational Standards were developed through combined effort of various stakeholders from private and public organizations. I am thankful to the management of these organizations for allowing their staff to participate in this course. I wish to acknowledge the invaluable contribution of industry players who provided inputs towards the development of these Standards.

I thank TVET Curriculum Development, Assessment and Certification Council for providing guidance on the development of these Standards. My gratitude goes to Business Sector Skills Advisory Committee (SSAC) members for their contribution to the development of these Standards.

My gratitude and appreciation go to all the individuals and organizations who participated in the development of these Standards.

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**ACRONYMS**

ICT Information Communication Technology

IFRS International Financial Reporting Standards

IPSAS International Public Sector Accountancy Standards

ISAs International Standards of Auditing

PAYE Pay as You Earn

RIBA Islamic Finance Interest

SACCOs Savings and Credit Cooperative Organizations

SASRA Sacco Societies Regulatory Authority

SOPsStandard Operating Procedures

SSAC Sector Skills Advisory Committee

TVET Technical and Vocational Education and Training

# KEY TO UNIT CODE



**OCCUPATIONAL STANDARD OVERVIEW**

Accountancy Technician level 6 qualification consists of competencies that an individual must have to provide accountancy services. It involves demonstrating fundamentals of accounting, carrying out financial accounting, carrying out business mathematics and statistics, conducting public finance and taxation, conducting quantitative techniques, conducting financial management, and conducting financial audit.

The units of competency comprising Accountancy Technician level 6 qualifications include the following basic, common and core units.

**SUMMARY OF UNITS OF COMPETENCY**

|  |  |
| --- | --- |
| **Basic unit of competency** | |
| **Unit Code** | **Unit Title** |
| 0417 551 01A | Apply Work ethics and practices |
| 0413 551 02A | Apply Entrepreneurship skills |
| **Common units of competency** | |
| 0413 551 03A | Apply Economics skills |
| 0413 551 04A | Apply management skills |
| 0421 551 05A | Apply Principles of Commercial Law |
| 0031 551 06A | Apply Business Communication |
| 0411 551 07A | Demonstrate Fundamentals of accounting |
| **Core units of competency** | |
| 0411 551 08A | Carry out business mathematics and statistics |
| 0411 551 09A | Demonstrate Information Communication Technology (ICT) |
| 0411 551 10A | Carry Out Financial accounting |
| 0411 551 11A | Conduct Public Finance and Taxation |
| 0411 551 12A | Conduct Quantitative Techniques |
| 0411 551 13A | Conduct Financial Management |
| 0411 551 14A | Conduct Management Accounting |
| 0411 551 15A | Conduct Financial Audit |

# BASIC UNITS OF COMPETENCY

# APPLY WORK ETHICS AND PRACTICES

**UNIT CODE:** 0417 551 01A

**UNIT DESCRIPTION**

This unit covers competencies required to effectively apply work ethics and practices. It involves the ability to: conduct self-management, promote ethical work practices and values, promote teamwork, manage workplace conflicts, maintain professional and personal development, apply problem-solving and promote customer care.

**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.  ***Bold and italicized terms are elaborated in Range*** |
| --- | --- |
| 1. Apply self-management skills | 1. Personal vision, mission and goals are formulated based on potential and concerning organization objectives and strategic plan 2. Self-esteem and a positive self-image are developed and maintained based on value- 3. Emotional intelligence and stress management are demonstrated as per workplace requirements. 4. Assertiveness is developed and maintained based on the 6requirements of the job. 5. Accountability and responsibility for one's actions are demonstrated based on workplace instructions. 6. Time management, attendance and punctuality are observed as per the organization’s policy. 7. Personal goals are managed as per the organization’s objective 8. Self-strengths and weaknesses are identified based on personal objectives 9. Motivation, initiative and proactivity are utilized as per the organization policy 10. Individual performance is evaluated and monitored according to the agreed targets. |
| 1. Promote ethical work practices and values | 1. Integrity is demonstrated as per acceptable norms 2. Codes of conduct is applied as per the workplace requirements 3. Policies and guidelines are observed as per the workplace requirements 4. Professionalism is exercised in line with organizational policies |
| 1. Promote Team work | 3.1 ***Teams*** are formed to enhance productivity based on organization’s objectives  3.2 Duties are assigned to teams under the organization policy.  3.3 Team activities are managed and coordinated as per set objectives.  3.4 Team performance is evaluated based on set targets as per workplace policy.  3.5 ***Conflicts*** are resolved between team members in line with organization policy.  3.6 Gender and diversity-related issues are identified and mainstreamed in accordance with workplace policy.  3.7 Healthy ***relationships*** are developed and maintained in line with the workplace.  3.8 Adaptability and flexibility are applied in dealing with team members as per workplace policies |
| 1. Maintain professional and personal development | 4.1 ***Personal growth and development*** needs are identified and assessed in line with the requirements of the job.  ***4.2 Training and career opportunities*** are identified and utilized based on job requirements.  4.3 ***Resources*** for training are mobilized and allocated based on organizations and individual skills needs.  4.4 Licenses and certifications relevant to the job and career are obtained and renewed as per policy.  4.5 Recognitions are sought as proof of career advancement in line with professional requirements.  4.6 Work priorities and personal commitments are balanced and managed based on the requirements of the job and personal objectives.  4.7 Dynamism and on-the-job learning are embraced in line with the organization’s goals and objectives. |
| 1. Apply Problem solving skills | 5.1 ***Creative, innovative*** and practical solutions are developed based on the problem  5.2 Independence and initiative in identifying and solving problems are demonstrated based on the requirements of the job.  5.3 Team problems are solved as per the workplace guidelines  5.4 Problem-solving strategies are applied as per the workplace guidelines  5.5 Problems are analysed and assumptions tested as per the context of data and circumstances |
| 1. Promote Customer Care | 6.1 Customers' needs are identified based on their characteristics  6.2 Customer ***feedback*** is allowed and facilitated in line with organization policies.  6.3 Customer concerns and complaints are analyzed and resolved in line with the set organizational culture.  6.4 Proactive customer outreach programs are implemented as per organizational policies  6.5 Customer retention strategies are developed and implemented in line with the organizational policy |

**RANGE**

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

| **Variable** | **Range** |
| --- | --- |
| 1. Feedback may include but not limited to: | * Verbal * Written * Informal * Formal |
| 1. Conflicts include but are not limited to: | * Interpersonal Conflict. * Intrapersonal Conflict. * Intergroup Conflict. * Intragroup Conflict. |
| 1. Relationships may include but not limited to: | * Man/Woman * Trainer/trainee * Employee/employer * Client/service provider * Husband/wife * Boy/girl * Parent/child * Sibling relationships |
| 1. Team may include but not limited to: | * Small work group * Staff in a section/department * Inter-agency group * Virtual teams |
| 1. Personal growth may include but not limited to: | * Growth in the job * Career mobility * Gains and exposure the job gives * Net workings * Benefits that accrue to the individual as a result of noteworthy performance |
| 1. Personal objectives may include but not limited to: | * Long term * Short term * Broad * Specific |
| 1. Trainings and career opportunities may include but not limited to | * Participation in training programs * Serving as Resource Persons in conferences and workshops * Capacity building |
| 1. Resource may include but not limited to: | * Human * Financial * Technology |
| 1. Creative and innovative may include but not limited to: | * New ideas * Original ideas * Different ideas * Methods/procedures * Processes * New tools |
| 1. Emerging issues may include but not limited to: | * Artificial Intelligence * Data confidentiality * National cohesion * Open offices |

**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:

* Active listening
* Critical thinking
* Organizational
* Negotiation
* Monitoring
* Evaluation
* Problem solving
* Decision Making
* Leadership
* Creative/innovative thinking
* Adaptability
* Conflict management
* Emotional intelligence
* Teamwork

**Required Knowledge**

The individual needs to demonstrate knowledge of:

* Work values and ethics
* Company policies and procedures
* Company operations, procedures and standards
* Flexibility and adaptability
* Concept of time and leisure time
* Decision making
* Work planning
* Organizing work
* Monitoring and evaluation
* Record keeping
* Gender and diversity mainstreaming
* Drug and substance abuse
* Professional growth and development
* creativity
* Innovation
* problem solving
* customer care
* Mentoring and coaching.
* Emerging issues

**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 | Assessment require evidence that the candidate:   * 1. Applied self-management skills as per organizational procedures.   2. Promoted ethical practices and values as per organizational procedures.   3. Promoted Teamwork as per workplace assignments.   4. Maintained professional and personal development as per organizational procedures.   5. Applied Problem-solving skills based on work requirements.   6. Identified customer needs based on their characteristics.   7. Gave back Customer feedback in line with organization policies. |
| 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place or appropriately simulated environment where assessment can take place   2. Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# APPLY ENTREPRENEURIAL SKILLS

**UNIT CODE :** 0413 551 02A

**UNIT DESCRIPTION**

This unit covers the competencies required to demonstrate an understanding of entrepreneurship. It involves demonstrating an understanding of financial literacy, applying entrepreneurial concepts identifying entrepreneurship opportunities, applying business legal aspects, developing business innovative strategies, and developing business plans.

**ELEMENTS AND PERFORMANCE CRITERIA**

| **ELEMENT**  These describe the key outcomes that make up workplace function. | **PERFORMANCE CRITERIA**  These are assessable statements that specify the required level of performance for each of the elements.  ***Bold and italicized terms are elaborated in Range*** |
| --- | --- |
| 1. Apply Financial Literacy Skills | 1. **Sources of personal and business** ***funds*** are identified as per financial procedures and standards 2. Personal finances are managed as per financial procedures and standards 3. Savings are managed as per financial procedures and standards 4. Debts are managed as per financial procedures and standards 5. Investments are undertaken as per financial procedures and standards 6. Insurance services are procured as per financial procedures and standards |
| 1. Apply entrepreneurial concept | 2.1 Entrepreneurs and Business persons are distinguished as per principles of entrepreneurship  2.2 ***Types of entrepreneurs*** are identified as per principles of entrepreneurship  2.3 Ways of becoming an entrepreneur are identified as per principles of Entrepreneurship  2.4 ***Characteristics of Entrepreneurs*** are identified as per principles of Entrepreneurship  2.5 Salaried employment and self-employment are distinguished as per principles of entrepreneurship  2.6. ***Requirements for entry into self-employment*** are identified according to business procedures and standards  2.7. Roles of an Entrepreneur in an enterprise are determined according to business procedures and standards  2.8*.***Contributions of entrepreneurship** to National development are identified as per business procedures and standards |
| 1. Identify entrepreneurial opportunities | 3.1 Business ideas are identified as per business procedures and standards  3.2 Factors to consider when evaluating business opportunity viability are explored based on business procedure and standards  3.3 Entrepreneurial opportunities are evaluated as per business procedures and standards  3.4 Business ideas and opportunities are generated as per business procedures and standards  3.5 Business life cycle is analysed as per business procedures and standards |
| 1. Apply business legal aspects | 1. ***Forms of business ownership*** are identified as per legal procedures and practices 2. Business Registration and Licensing processes are identified as per legal procedures and practices 3. Types of Contracts and Agreements are analysed as per legal procedures and practices   4.4 Employment Laws are identified as per legal procedures and practices  4.5 Taxation laws are identified as per legal procedures and practices |
| 1. Innovate Business strategies | 1. Business innovation strategies are determined by the organization standards 2. Creativity in business development is demonstrated in accordance with business standards 3. ***Innovative business standards***  are developed as per business principles 4. Linkages with other entrepreneurs are created as per best practice   5.5 ICT is incorporated in business growth and development as per best practice |
| 1. Develop Business Plan | 1. Business idea is described as per business procedures and standards 2. Business description is developed as per business plan format 3. Marketing plan is developed as per business plan format 4. Organizational/Management plan is prepared in accordance with business plan format 5. Production/operation plan is prepared in accordance with business plan format 6. Financial plan is prepared in accordance with the business plan format 7. Executive summary is prepared in accordance with business plan format 8. Business plan is presented as per best practice 9. Business ideas are incubated as per institutional policy. |

**RANGE**

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

| **Variable** | **Range** |
| --- | --- |
| 1. ***Sources of personal funds*** mayinclude but not limited to: | * Salary/Wages * Investments * Savings * Inheritance * Government Benefits |
| 1. ***Sources of business finance*** mayinclude but not limited to: | * Equity Financing * Debt Financing, * Personal Savings/Investment * Retained Earnings * Grants and Subsidies * Crowdfunding * supplier Credit: * Leasing and Asset Financing: |
| 1. ***Types of entrepreneurs*** may include but not limited to: | * Innovators * Imitators * Craft * Opportunistic * Speculators |
| 1. ***Characteristics of Entrepreneurs*** may include but not limited to: | * Creative * Innovative * Planner * Risk taker * Networker * Confident * Flexible * Persistent * Patient * Independent * Future oriented * Goal oriented |
| 1. ***Requirements for entry into self-employment*** may include but not limited to | * Technical skills * Management skills * Entrepreneurial skills * Resources * Infrastructure |
| 1. ***Forms of businesses ownership*** may include but not limited to: | * Sole proprietorship * Partnership * Limited companies * Cooperatives |
| 1. ***Innovative business standards*** may include but not limited to: | * New products * New methods of production * New markets * New sources of supplies * Change in industrialization |

**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
* Management
* Problem-solving
* Root-cause analysis
* Communication

**Required Knowledge**

The individual needs to demonstrate knowledge of:

* Decision making
* Business communication
* Change management
* Competition
* Risk
* Net working
* Time management
* Leadership
* Factors affecting entrepreneurship development
* Principles of Entrepreneurship
* Features and benefits of common operational practices, e. g., continuous improvement (kaizen), waste elimination,
* Conflict resolution
* Health, safety and environment (HSE) principles and requirements
* Customer care standards
* Basic financial management
* Business strategic planning
* Impact of change on individuals, groups and industries
* Government and regulatory processes
* Local and international market trends
* Product promotion standards
* Market and feasibility studies
* Government and regulatory processes
* Local and international business environment
* Relevant developments in other industries
* Regional/ County business expansion standards

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 | Assessment requires evidence that the candidate:   1. Identified Sources of personal and business finance as per financial procedures and standards 2. Managed Personal finances as per financial procedures and standards 3. Made Investment decisions as per financial procedures and standards 4. GeneratedBusiness ideas and opportunities based on business procedure and standards 5. Analysed business life cycle based on business procedure and standards 6. Determined business innovative standards as per business principles 7. Developed and presented a business plan as per regulatory framework. |
| 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place or appropriately simulated environment where assessment can take place   2. Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# COMMON UNITS OF COMPETENCY

# APPLY ECONOMICS PRINCIPLES

**UNIT CODE:** 0413 551 03A

**UNIT DESCRIPTION**

This unit specifies the competencies required to apply economic principles. It involves; applying economic concepts, demand concept in market analysis, supply concept in market analysis, setting prices of the products, applying theory of consumer behaviour, production theory, theory of costs, differentiating market structures, determining national income, apply understanding of money and banking, apply understanding of inflation and unemployment and apply understanding of international trade.

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Apply fundamental economic concepts | 1. ***Economic concepts*** are identified as per the organizational requirements. 2. Economic methodology is selected as per organizational requirements. 3. Scope of economic resources are determined as per organizational requirements 4. Economic systems are developed as per the organizational requirements 5. Resources are utilized effectively as per the economic objectives. |
| 1. Apply demand concept in market analysis | 1. Market demand dynamics are determined in line with business objectives. 2. Factors affecting demand are outlined as per the market trends. 3. Demand curve is derived as per market trends. 4. Decisions are made in line with elasticity of demand. |
| 1. Apply supply concept in market analysis | 1. Market supply dynamics are determined in line with organization objectives. 2. Factors affecting supply are outlined as per the market conditions. 3. Supply curve is derived as per market trends. 4. Decisions are made in line with elasticity of supply, |
| 1. Set Product prices | 1. Pricing framework is developed as per organizational financial objective. 2. Customer purchasing habits are determined in line with market trends. 3. Products cost are determined in line with organization objectives. 4. Projected revenues are determined as per desired profitability. 5. ***Costs*** and revenues are bench-marked in line with the industry. 6. Equilibrium price is established as per the market trends. 7. Price recommendations are made in line with the organizational objectives. |
| 1. Apply consumer behaviour theory | 1. Consumer behavior approaches are identified as per the market trends. 2. Consumer utility is analyzed as per the consumer feedback. 3. Consumer equilibrium is analyzed based on consumer income and product prices 4. Indifference curves are applied as per organizational objectives |
| 1. Apply production theory | 1. Mobility of factors of production is determined as per organizational requirements. 2. Output units are determined as per organizational resources. 3. Stages of production are identified as per organizational products. 4. Long run production period is analyzed as per the organizational objectives |
| 1. Apply costs theory | * 1. Production costs are classified as per organizational production policy.   2. Short run costs are analyzed as per Work procedures   3. Long run costs are analyzed as per Work procedures   4. Cost curves are analyzed as per organizational production policy.   5. Optimal size of the firm is determined based on economies of scale. |
| 1. Differentiate market structures. | * 1. Market structures are determined as per economic system   2. Market outputs are determined as per economic system   3. Market prices are determined as per economic system   4. ***Market structures*** are selected as per organizational requirement |
| 1. Determine national income | * 1. ***National income concepts*** are determined as per national economic policy   2. Circular flow of income is drawn as per the national economic policy   3. National income measurement methods are identified based on fiscal policy   4. National income statistics are applied as per the national economic policy   5. National income equilibrium is determined as per the national economic policy |
| 1. Demonstrate Understanding of money and banking | * 1. Features of money are identified as per the regulatory authority   2. Functions of money are determined as per economic requirements   3. Demand and supply of money is determined as per the economic conditions   4. Theories of demand for money are identified as per economic requirements   5. ***Financial institutions*** are identified as per the financial market regulatory authority |
| 1. Demonstrate Understanding of Inflation and unemployment | * 1. Types of inflation are identified as per the economic conditions   2. Inflation causes are classified as per the economic conditions   3. Inflation effects are identified as per the economic conditions   4. Measures of inflation control are determined as per the regulatory policies   5. Unemployment causes are identified as per the economic conditions   6. Unemployment control measures are determined as per the regulatory policies |
| 1. Demonstrate understanding of international trade | * 1. International trade theories are identified as per the schools of thought   2. International balance of trade is determined as per international trade   3. International balance of payments is determined as per international trade   4. Exchange rates are determined as per international trade   5. Economic integration and regional grouping are evaluated as per international trade   6. International financial institutions are selected as per international financial markets |

**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. Economic concepts may include but not limited to: | * + Economic resources   + human wants   + scarcity and choice   + opportunity cost   + production possibility curves/frontiers   + wealth   + welfare |
| 1. National income concepts include but not limited to: | * + gross domestic product (GDP   + Gross national product (GNP) and net national product (NNP)   + Net national income (NNI) at market price and factor cost   + Disposable income |
| 1. Market structures may include but not limited to: | * + Monopoly   + Perfect competition   + Monopolistic competition   + Oligopoly   + Duopoly |
| 1. Financial institutions may include but not limited to: | * + Banking institutions   + Non-banking financial institutions |
| 1. Costs may include but not limited to: | * + Fixed costs   + Variable costs   + Total cost   + Opportunity costs   + Marginal cost |

**REQUIRED KNOWLEDGE AND UNDERSTANDING**

The individual needs knowledge of:

* Computer Operations
* Bank operational procedures
* Legal operating environment
* Banking policies and procedures
* Market trends
* Financial markets

**SKILLS**

The individual needs the following skills:

* Interpersonal
* Critical thinking
* Communication
* Evaluation.
* Analytical

**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 | Assessment requires evidence that the candidate:   1. Developed economic systems as per financial markets. 2. Derived demand curve as per market trends 3. Made decisions in line with elasticity of demand 4. Derived supply curve as per market trends 5. Made decisions in line with elasticity of supply 6. Established Equilibrium in line with market trends 7. Analysed consumer equilibrium based on customer income 8. Applied indifference curves as per organizational objectives. 9. Analysed long run production period as per organizational objectives. 10. Analyzed cost curves based on organizational objectives 11. Determined optimal size of the firm based on economies of scale 12. Selected market structures as per economic systems. 13. Determined National income equilibrium as per the national economic policy 14. Identified National income measurement methods based on fiscal policy. 15. Applied national income statistics per the national economic policy 16. Identified financial institutions as per financial market regulatory authority. 17. Determined functions of money as per economic requirements 18. Determined measures of inflation control as per the regulatory policies. 19. Determined International balance of payment trade as per international trade. |
| 1. Resource implications | The following resources should be provided:  2.1 Access to relevant workplace or appropriately simulated  environment where assessment can take place  2.2 Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written test |
| 1. Context of Assessment | 4.1The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# 

# APPLY MANAGEMENT SKILLS

**UNIT CODE:** 0413 551 04A

**UNIT DESCRIPTION**

This unit describes competencies required to effectively apply management principles in the workplace. It covers applying planning principles, organizing principles, directing principles and coordinating principles.

**ELEMENTS AND PERFORMANCE CRITERIA**

|  |  |
| --- | --- |
| **ELEMENTS** | **PERFORMANCE CRITERIA** |
|
| Apply planning principle | * 1. Organizational ***goals and objectives*** are identified as per work procedure   2. ***Work plans*** are laid down based on work requirements   3. Monitoring of work progress is carried out based on planning factors   4. ***Planning principles*** are implemented based on work requirements |
| 1. Apply Organizing principle | * 1. Office goals and objectives are defined as per organizational procedure   2. Office tasks and responsibilities are assigned based on work requirements   3. Monitoring of progress is carried out as per organizational procedure |
| 1. Apply directing   principle | * 1. Orders and instructions are laid out to subordinates as per organizational procedure   2. Supervision of office staff is carried out as per work requirement   3. Exchange of opinions and ideas is carried out as per organization needs |
| 1. Apply coordinating principle | 1. Work schedules are created as per organizational procedure 2. Individual roles are defined as per work requirements 3. Teams are rewarded as per organizational procedure |

**RANGE**

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

|  |  |
| --- | --- |
| Variables | Range |
| Goals and objectives may include but not limited to: | May include but not limited to:   * Innovation and adaptability * Customer satisfaction * Employee engagement and development * Achieve sustainable growth * Ensure financial growth and profitability * Identify opportunities for growth and diversification |
| 1. Work plans may include but are not limited to: | * Creating timelines * Break down the project into specific tasks * Identifying resources required * Identifying potential risks and challenges * Process for seeking approvals |
| 1. Planning principlesmay include but are not limited to: | * Vision and mission * Data-driven decision making * Flexible plans * Transparency in decision making * Fair and equitable decision making |

**REQUIRED SKILLS AND KNOWLEDGE**

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

**Required Knowledge**

The individual needs to demonstrate the following knowledge of:

* Principles of management
* Research
* Financial Accounting
* Commercial Law

**Required Skills**

The individual needs to demonstrate skills of:

* Communication
* Analytical
* Evaluation
* Management
* Problem solving
* Time management
* Data collection
* Numeracy
* ICT
* Entrepreneurship
* Occupational health and safety
* Environmental literacy

**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 | Assessment requires evidence that the candidate:   * 1. Laid down work plans based on the requirements   2. Carried out monitoring of progress as per organizational   procedure   * 1. Carried out supervision of office staff as per work requirement   2. Created work schedules as per organizational procedure |
| * + - 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place or appropriately simulated environment where assessment can take place   2. Materials relevant to the proposed activity or tasks |
| * + - 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| * + - 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| * + - 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

**APPLY PRINCIPLES OF COMMERCIAL LAW**

**UNIT CODE:** 0421 551 05A

**UNIT DESCRIPTION**

This unit specifies the competencies required to apply principles of commercial law. It involves demonstrating an understanding of nature of law, illustrating the structure of court system in Kenya, applying law of tort, law of contract, law of sale of goods, hire purchase contracts, law of agency, law of negotiable instruments, the law of insurance and law of property.

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Demonstrate understanding of nature of law | * 1. Nature of law is determined as per common law.   2. The purpose of law is identified as per common law   3. ***Sources of law in Kenya*** are identified as per Judicature Act   4. Law is classified as per Kenyan law. |
| 1. Illustrate the structure of court system in Kenya | 2.1 Court structure is determined as per the constitution of Kenya, 2010  2.2 Composition of ***Kenyan courts*** is determined as per the constitution of Kenya, 2010  2.3 Jurisdiction of courts is determined as per the constitution of Kenya, 2010 |
| 1. Apply law of Tort | * 1. Nature of tortuous liability is explained as per the law of tort   2. Tort, crime and breach of contract are differentiated as per the law of tort   3. Capacity to sue/ sued is determined as per the law of tort   4. ***Types of torts*** are identified as per law of torts   5. General defenses in tort are identified as per the law of tort |
| 1. Apply law of Contract | * 1. Essentials of a valid contract are identified as per the law of contract   2. Types of contracts are determined as per the law of contract   3. Methods of discharging contract are identified as per the law of contract   4. Remedies of breach of contract are determined as per the law of contract |
| 1. Apply law of Agency | * 1. Agents are classified as per the law of agency   2. Agents’ authority is established as per the law of agency   3. Duties of agents are identified as per law of agency   4. Rights of agents are identified as per law of agency   5. Methods of terminating agency are determined as per law of agency |
| 1. Apply law of sale of goods | * 1. Sale and agreement to sell are differentiated as per sale of goods Act 2015   2. Capacity to buy and sell is determined as per sale of goods Act 2015   3. ***Terms of sale of goods*** are determined as per sale of goods Act 2015   4. Doctrine of caveat emptor is determined as per sale of goods Act 2015   5. Factors affecting transfer of title are determined as per sale of goods Act 2015   6. Rights of parties are identified as per sale of goods Act 2015   7. Auction process is determined as per the sale of goods Act 2015 |
| 1. Apply hire purchase contracts | * 1. Nature of hire purchase agreement is determined as per hire purchase Act 2017   2. Hire purchase agreement is registered as per hire purchase Act 2017   3. Conditions of terminating hire purchase agreement are determined as per hire purchase Act 2017   4. Completion of hire purchase agreement is determined as per hire purchase Act 2017 |
| 1. Apply law of negotiable instruments | * 1. ***Negotiable instruments*** are identified as per negotiable instrument Act 2018   2. Characteristics of negotiable instrument are identified as per negotiable instrument Act 2018   3. Negotiable instruments are distinguished as per negotiable instrument Act 2018 |
| 1. Apply law of insurance | * 1. Insurance contracts are identified as per insurance Act 2020 laws of Kenya   2. ***Insurance principles*** are analyzed based on insurance Act 2020 laws of Kenya   3. Insurance contracts are formed as per the organizational requirements   4. Insurance contracts are discharged as per the contract terms |
| 1. Apply law of property | * 1. ***Property*** is classified based on property Act 2020   2. Land interests are determined as per the organizational requirements   3. ***Intellectual property*** is determined as per the constitution of Kenya 2010 |

**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. ***Kenyan courts*** include but not limited to: | * + Supreme Court   + Court of Appeal   + High Court   + Employment and Labour Relations Court   + Environment and Land Court   + Magistrates Court   + Court Martial   + Kadhis’ Court |
| 1. ***Sources of law*** in Kenya include but not limited to: | * + Constitution   + Legislation (Acts of parliament)   + Judicial precedent   + County assembly legislations   + Statutes of general application   + Common law   + Equity   + Islamic law |
| 1. ***Types of torts*** include but not limited to: | * + Negligence   + Defamation   + Nuisance   + Trespass |
| 1. ***Terms of sale of goods*** may include but not limited to: | * + Conditions   + Warranties |
| 1. ***Negotiable instrument*** may include but not limited to: | * + Cheques   + Bill of exchange   + Promissory note |
| 1. ***Insurance principles*** may include but not limited to: | * + Subrogation   + Indemnity   + Insurable interest   + Utmost good faith etc. |
| 1. ***Property*** may include but not limited to: | * + Real and personal   + Movable   + immovable   + tangible   + And intangible |
| 1. ***Intellectual property*** may include but not limited to: | * + Patents   + trademarks,   + Copyrights   + Industrial designs |

**REQUIRED KNOWLEDGE AND UNDERSTANDING**

The individual needs knowledge of:

* Business & Economic cycles in a diverse range of sectors.
* Financial transactions
* Risk management.
* Contract management
* Civil wrongs

**SKILLS**

The individual needs the following skills:

* Evaluation.
* Communication
* Analysis.
* Numeracy.
* Report writing.
* Negotiation
* Inter-personal.

**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 | Assessment requires evidence that the candidate:   * 1. Identified sources of law in Kenya as per Judicature Act   2. Classified law as per Kenyan law.   3. Determined court structure as per the constitution of Kenya, 2010   4. Determined jurisdiction of courts as per the constitution of Kenya, 2010   5. Identified types of torts as per law of torts   6. Identified general defenses in tort as per the law of tort   7. Identified essentials of a valid contract as per the law of contract   8. Identified methods of discharging contract are identified as per the law of contract   9. Determined remedies of breach of contract as per the law of contract   10. Established agents’ authority as per the law of agency   11. Identified duties of agents as per law of agency   12. Identified rights of agents as per law of agency   13. Determined methods of terminating agency as per law of agency   14. Determined terms of sale of goods as per sale of goods Act 2015   15. Determined doctrine of caveat emptor as per sale of goods Act 2015   16. Identified rights of parties as per sale of goods Act 2015   17. Determined nature of hire purchase agreement as per hire purchase Act 2017   18. Determined conditions of terminating hire purchase agreement as per hire purchase Act 2017   19. Identified insurance contracts as per insurance Act 2020 laws of Kenya   20. Analyzed Insurance principles based on insurance Act 2020 laws of Kenya   21. Determined intellectual property as per the constitution of Kenya 2010 |
| 1. Resource implications | The following resources should be provided:   * 1. Access to relevant workplace o   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| 1. Context of Assessment | 1. The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# APPLY BUSINESS COMMUNICATION

**UNIT CODE:** 0031 551 06A

**UNIT DESCRIPTION**

This unit specifies the competencies required to undertake business communication. It involves administering communication channels, implementing types of communication, implementing service charter, safeguarding confidentiality of information, coordinating communication on social media platforms, preparing workplace meeting and reports.

**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.  ***Bold and italicized terms are elaborated in the Range*** |
| --- | --- |
| 1. Administer Communication channels | * 1. Communication processes are handled in line with the human resource manual on correspondence.   2. Principles of effective communication are applied as per the SOPs   3. Channels of communication are administered as per the SOPs   4. Factors to effective communication are selected in line with SOPs   5. Barriers to effective communication are identified in line with the SOPs   6. Familiarize with the human resource manual on correspondence.   7. Sources of Information are identified as per the SOPs   8. Organization Policies are identified and applied in line with the SOPs   9. Records are kept in line with the human resource manual on correspondence and the SOPs |
| 1. Implement types of communication | * 1. Types of written communication are identified and applied according to workplace requirements.   2. Existing non-verbal communication techniques are identified and applied based on organization policy.   3. Types of oral communication are identified and established as per organization policy. |
| 1. Implement service charter | * 1. Familiarize with the organization as per service charter.   2. Emphasize the importance of service charter in line with the SOPs   3. Response to correspondences is done in line with the service charter.   4. Record retrieval is done in line with service charter. |
| 1. Safeguard confidentiality of information | * 1. Familiarize with the organization policy on confidentiality of information.   2. ***Physical securing*** of records and correspondences is carried out in line with the SOPs.   3. Monitor how records and correspondences in circulation are handled within the organization as per organization policy   4. Information is***secured*** as per SOPs of the Organisation   5. Sensitize employees on ***safeguarding confidentiality*** of information and records as per organization policy   6. Regular tracing of records and correspondences in line with the SOPs. |
| 1. Coordinate communication on social media platforms | * 1. Organization human resource social media requirements are identified as per SOPs   2. Initiate development and review of social media policies and procedures components on human resource in line with the Human Resources Manual   3. Select the social media platforms that meet the needs of the organization.   4. Source for content, both internal and external, for use on social media platforms are handled as per SOPs   5. Respond to customers in timely manner directing them to relevant information as required according to social media policies and procedures.   6. Update of the social media account to maximise effectiveness as per SOPs   7. Enforce legal and ethical practices in line with the organization policy   8. Track social media activities using ***social media monitoring tools as per the SOPs.***   9. Report the social media engagements to management for implementation in line with SOPs |
| 1. Prepare work place meetings | * 1. Minute taking is defined as per the SOPs   2. Types of meetings are highlighted as per the SOPs   3. ***Structure of meetings*** are identified as per the SOPs |
| 1. Prepare workplace report | * 1. Report writing is defined as per the organization policy.   2. Importance of reports in human resource function is emphasized as per the human resource manual.   3. Forms and types of reports are described as per the organization policy.   4. Reports formats are identified as per the organization policy   5. Reports preparation is done as per the organization policy. |

**RANGE**

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

|  |  |
| --- | --- |
| **Variable** | **Range** |
| 1. Action taken may include but not limited to: | * + Indexing   + Photocopy for circulation   + Filing   + Recording   + Taking to officer for action |
| 1. Physical securing may include but not limited to: | * + Lock and key   + Reinforced storage   + Fireproofing   + Lockable cabinets   + Restricted access |
| 1. Social media monitoring tools may include but not limited to: | * + Twitter counter   + Hootsuite   + Klout   + Buzz Logix   + Digi mind |
| 1. Structure of meetings may include but not limited to: | * + Notice   + Agenda   + Preparation of other relevant documents   + Minute formats |

**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:

* Communication
* Data analysis and presentation
* Listening
* Organizational
* Leadership
* Time management
* Conflict management and resolutions
* Budgeting
* Decision making
* Emotional intelligence
* Interpersonal Relations
* Crisis management
* Analytical skills
* Data analysis and presentation
* Public relations
* Negotiation
* Computer
* SOP
* Operations of the organization
* Emerging issues.
* Record management
* Reading

**Required Knowledge**

The individual needs to demonstrate knowledge and understanding of:

* Work place procedures
* Human resource procedures and manuals
* Record Management function
* Work Planning and documentation
* Dispute resolution process
* Legislations, policies and regulations
* Communication processes
* Negotiations
* Interpersonal relations
* ICT
* Emotional intelligence
* Social media use

**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 | Assessment requires evidences that the candidate:   * 1. Handled organizational policies as per SOPs   2. Handled incoming and outgoing mails as per SOPs   3. Sorted correspondence and took necessary action as per SOPs   4. Maintain human resource records. As per Human Resource manual   5. Align response time to service charter as per SOPs   6. Safeguarded confidentiality of information as per SOPs   7. Handled challenges in safeguarding social media platform as per SOPs   8. Legal and Ethical Issues in social media platforms as per SOPs   9. Managed communication on social media platforms as per SOPs   10. Prepared work place meetings as per SOPs   11. Prepared work place reports as per SOPs |
| 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CORE UNITS OF COMPETENCY

# DEMONSTRATE FUNDAMENTALS OF ACCOUNTING

**UNIT CODE**: **0411 551 07A**

**UNIT DESCRIPTION**

This unit specifies the competencies required to demonstrate fundamentals of accounting. It involves demonstrating understanding of accounting principles and policies, applying double entry concept, classifying capital and liabilities, correcting accounting errors and suspense account, preparing sole trader statement, preparing partnership statements and prepare company statements.

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Demonstrate understanding of accounting principles and policies | 1. Nature and purpose of accounting is established in line with the IFRS. 2. Users of accounting information and their information needs is established as per IFRS. 3. Qualities of accounting information is determined as per IFRS. 4. Accounting concepts/principles are identified as per IFRS. 5. Accounting standards are determined IFRS. 6. Accounting equation is prepared in line with IFRS. |
| 1. Apply double entry concept | 1. Accounting source documents are prepared as per IFRS 2. Books of original entry are determined as per IFRS 3. Double entry system is applied to prepare ledger accounts. 4. The trial balance and basic financial statements are prepared in line with the IFRS. 5. Computerized accounting systems is applied as per the accounting guidelines |
| 1. Classify capital, assets and liabilities. | 1. Accrued expenses and prepaid expenses are determined as per the accounting principles. 2. Accounting for ***revenue*** as per the accounting principles. 3. Accounting for accounts receivables, bad debts and allowance for doubtful debts are determined as per the accounting principles. 4. Property plant and equipment accounts are managed as per the accounting principles. 5. Inventory is recognized, measured and valued based on cost method. 6. Accounting for cash and cash equivalents, bank reconciliation is determined as per the accounting principles. 7. Accounts payable are accounted for including control account as per the accounting principles. |
| 1. Correct accounting errors and suspense account | 1. Errors that can be detected by the trial balance are determined as per the accounting principles 2. Errors where the effect of the error causes the trial balance not to balance are identified as per the accounting principles. 3. Errors where the effect of the error causes the trial balance still balance are identified as per the accounting principles 4. Procedures of correcting errors are determined as per the organization objectives as per the accounting principles 5. Errors that can be corrected by suspense account are identified as per the accounting principles 6. Suspense account is prepared as per the accounting principles |
| 1. Prepare sole trader statement | 1. Sources of capital for sole trader are established as per the business requirements. 2. Sole trader Income statement is drafted as per accounting principles. 3. Statement of financial position is prepared as per accounting principles. |
| 1. Prepare partnership statements | 1. Contents of a partnership agreement are determined as per the requirements of the law. 2. Current and capital accounts are prepared as per the accounting standards. 3. Income Statement is prepared as per accounting standards. 4. Appropriation of profit and loss account is prepared as per accounting standards. 5. Statement of financial is prepared as per the organizational requirements |
| 1. Prepare company accounts | 1. ***Types of share capital*** are identified as per company’s Act 2. ***Types of reserves*** are determined as per the organizational objectives. 3. Issue of shares is determined as per the organizational requirements 4. Rights issues and bonus are calculated as per the company polices 5. Provisions and reserves are identified as per accounting standards. 6. Income tax is calculated as per the accounting principles. 7. Accounting treatment and presentation is conducted as per the accounting standards 8. Income statement is drafted as per the accounting standards. 9. Statement of financial position is prepared as per the accounting standards. |

**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. Revenue may include but not limited to: | * Accrued income * Prepaid income |
| 1. Types of share capital may include but not limited to | * Ordinary shares * preference shares |
| 1. Types of reserves may include but not limited to | * Share premium, * Revaluation reserve, * General reserves * Retained profits |

**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:

* Negotiation
* Numeracy
* Analyze errors
* Conduct image analysis
* Interpret and analyze statistics
* Perform mental calculations
* Record with accuracy and precision
* Undertake high level computations

**Required knowledge**

The individual needs to demonstrate knowledge of:

* Principles of accounts
* Emerging trends
* Formation of companies
* Policies and procedures

**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 | Assessment requires evidence that the candidate:   1. Demonstrated understanding of accounting principles and policies in line with IFRS 2. Demonstrated the ability to apply double entry concept in line with accounting standards. 3. Demonstrated the ability to classify capital, assets and liabilities in line with the accounting standards. 4. Demonstrated the ability to correct accounting errors and suspense account in line with the accounting standards. 5. Demonstrated the ability to prepare sole trader statement in line with the accounting standards. 6. Demonstrated the ability to prepare partnership statements in line with the accounting standards. 7. Demonstrated the ability to prepare company statements in line with the accounting standards. |
| * + - 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| * + - 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| * + - 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| * + - 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CARRY OUT BUSINESS MATHEMATICS AND STATISTICS

**UNIT CODE**: **0411 551 08A**

**UNIT DESCRIPTION**

This unit specifies the competencies required to carrying out business mathematics and statistics. It involves carrying out statistical equations, carrying out statistical matrices, preparing commercial mathematics, performing elementary statistics, carrying out descriptive statistics, applying set theory, applying basic probability theory and determining index numbers.

**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.  *Bold and italicized terms are elaborated in the range.* |
| 1. Carry out statistics equations | 1. Linear equations are determined as per the objective functions 2. Quadratic equations are determined as per the objective functions 3. Simultaneous equations are formulated as per the objective functions 4. Break-even analysis is computed as per the organization objective. 5. Differentiation and integration is carried out as per the objective functions 6. Total revenue, total cost and profit equations are formulated as per the organizational objectives. |
| 1. Carry out statistical matrices | 1. Addition, subtraction, division and multiplication formulae are performed as per the order of operations. 2. Determinants of 2x2 matrices are calculated as per the order of operations. 3. Inverses of 2x2 matrices are calculated as per the order of operations 4. Matrices are applied to business operations as per the organizational objectives. |
| 1. Prepare commercial mathematics | 1. ***Buying and selling methods*** are determined as per the organizational objectives. 2. ***Commissions and salaries******rates*** are determined based on the company policies and procedures. 3. ***Bills of utilities*** are calculated as per the organizational objectives 4. Simple and compound interest are calculated as per organizational policy. 5. Depreciation and appreciation of assets are carried out as per the accounting standards. 6. Hire purchase is determined as per the hire purchase agreement. 7. Foreign exchange is determined as per the forex markets. |
| 1. Perform elementary statistics | 1. ***Methods of data collection*** are selected as per the organization’s objectives. 2. Sampling techniques and presentation of data is established as per the organization’s objectives. 3. ***Tables and diagrams*** are prepared as per the data. 4. ***Graphs*** are drafted as per the data. 5. Frequency distribution tables are drawn as per the data. 6. Histogram and frequency polygons are drawn as per the data. 7. Cumulative frequency curve (OGIVE) is drawn and applied as per the data. |
| 1. Carry out descriptive statistics | 1. ***Measures of central tendency*** are determined according to Work procedures. 2. ***Measures of dispersion*** are determined on the basis of Work procedures 3. Measures of skewness and kurtosis are analysed as per the Work procedures. |
| 1. Apply set theory | 1. Sets types are identified following the set theory. 2. Sets operations are performed as per the set theory. 3. Venn diagrams are drawn according to the set theory. |
| 1. Apply basic probability theory | 7.1 Probability events are identified as per the work place requirements.   * 1. Types of events are determined as per the work place requirements.   2. Rules of probability are applied based on additive and multiplicative rules.   3. Bayes’ Theorem is applied as per the theorem rules   4. Probability trees are drawn according to events. |
| 1. Determine index numbers | 1. Index numbers are constructed as per the formula. 2. Methods of determining index numbers are applied as per the organizational objective. 3. Consumer Price Index (CPI) is calculated as per the organizational objective. 4. ***Weighted index numbers*** are determined as per the organizational objective. |

**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. Buying and selling methods may include but not limited to: | * Discounts * Margins * mark-ups |
| 1. Commissions and salaries rates may include but not limited to: | * Piece and hourly rates * Gross and net pay * PAYE |
| 1. Bills of utilities may include but not limited to | * Water * Electricity |
| 1. Methods of data collection may include but not limited to | * Primary * Secondary Data |
| 1. Tables and diagrams may include but not limited to | * Bar charts * Pie charts |
| 1. Graphs may include but not limited to | * Basic time series graphs * Z-charts, * Lorenz curves and * Semi-log graphs |
| 1. Measures of central tendency may include but not limited to | * Mean: arithmetic mean, weighted arithmetic mean, geometric mean and harmonic mean * Mode * Median |
| 1. Weighted index numbers may include but not limited to | * Laspeyre’s * Paasche’s * Fisher’s ideal * Marshal |

**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:

* Negotiation
* Numeracy
* Analyze errors
* Conduct image analysis
* Interpret and analyze statistics
* Perform mental calculations
* Record with accuracy and precision
* Undertake high level computations

**Required knowledge**

The individual needs to demonstrate knowledge of:

* Research methods
* Statistics
* Qualitative techniques
* Policies and procedures

**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 | Assessment requires evidence that the candidate:   1. Demonstrated ability to carry out statistics equations as per the objective functions. 2. Carry out statistical matrices as per the order of operations. 3. Demonstrated ability to prepare commercial mathematics as per organization’s policy. 4. Demonstrated ability to perform elementary statistics as per organization’s objective.. 5. Demonstrated ability to carry out descriptive statistics organization’s objective.. 6. Demonstrated ability to apply Set theory as per set operations. 7. Demonstrated ability to apply Basic probability theory as per probability rules. 8. Demonstrated ability to determine Index number as per organization’s objective. |
| * + - 1. Resource Implications | The following resources should be provided:   1. Access to relevant workplace where assessment can take place 2. Appropriately simulated environment where assessment can take place 3. Materials relevant to the proposed activity or tasks |
| * + - 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports   * 1. 3.5 Written tests |
| * + - 1. Context of Assessment | 1. The competency may be assessed in a workplace or a simulated workplace |
| * + - 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job roles is recommended. |

# DEMOSTRATE UNDERSTANDING OF INFORMATION COMMUNICATION TECHNOLOGY (ICT)

**UNIT CODE:** **0411 551 09A**

**UNIT DESCRIPTION**

This unit specifies the competencies required to demonstrate the understanding of information communication technology (ICT). It involves: determining computer hardware, applying computer software, applying operating system, maintaining data security and control, applying application packages, managing information systems, configuring computer networks and applying computer internet.

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Determine Computer hardware | * 1. Computer hardware are identified as per workplace requirements.   2. Input devices are selected as per workplace requirements.   3. Output devices are selected as per workplace requirements.   4. Computer peripherals are selected as per workplace requirements. |
| 1. Apply Computer software | * 1. Operating system software is established as per workplace procedures.   2. Language translator’s software are established as per workplace procedures.   3. Network and communication software are determined as workplace procedures.   4. Utility programs are established as per workplace procedures. |
| 1. Apply Operating system | * 1. Operating systems are identified as workplace procedures.   2. ***Operating system resources*** are established as per workplace procedures.   3. Operating systems functions are executed as per workplace procedures. |
| 1. Maintain Data security and control | 1. Computer security threats are identified workplace policies 2. Computer crimes are identified as per workplace polices 3. Security prevention measures are established as per workplace procedures. 4. Security and control measures are selected as per the organizational guidelines. 5. Security and control measures are executed as per organizational guidelines. |
| 1. Apply application packages | 1. Office word task is identified as per job requirements. 2. MS word document is created as per job requirements. 3. MS word document is reviewed as per job requirements. 4. MS word file is saved as per job requirements. 5. MS power point slide is created as per job requirements. 6. MS power point slide is reviewed as per job requirements. 7. MS power point file is saved as per job requirements. |
| 1. Manage information systems | 1. Office spread- sheet task is identified as per job requirements. 2. Spread- sheet is created as per job requirements. 3. Spread- sheet is reviewed as per job requirements. 4. Spread- sheet file is saved as per job requirements. |
| 1. Configure Computer networks | 1. Computer database is organized as per the organization guideline. 2. Database information is manipulated as per organizational guide. 3. Computer database is secured as per organizational guide. 4. Database information is retrieved as per the organization guideline. 5. Database information is stored as per the organization guideline. |
| 1. Apply communication networks and internet | 1. ***Communication networks*** and internet are determined as per the work place requirement. 2. Communication networks services are determined as per the organizational objectives. 3. Communication networks and internet are configured as per the organization objectives. |

**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. Operating system resources may include but not limited to: | * Output devices * Output devices * Access memory programs * Applications |
| 1. Communication networks may include but not limited to: | * WAN * LAN * MAN * Wireless * Inter Network |

**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:

* Evaluation
* Analytical skills
* Presentation
* Communication
* Interpersonal
* Organizational
* Innovation
* Creativity

**Required knowledge**

The individual needs to demonstrate knowledge of:

Organizational Policy and procedures

Current affairs

Ethics in ICT

Technological development

**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 | Assessment requires evidence that the candidate:   1. Demonstrated the ability to determine Computer hardware as per work requirements. 2. Demonstrated the ability to apply Computer software as per work requirements. 3. Demonstrated the ability to apply Operating system as per workplace procedures. 4. Demonstrated the ability to maintain Data security and control workplace policies. 5. Demonstrated the ability to apply Word processing and power point as per job requirements. 6. Demonstrated the ability to develop Spread-sheet as per job requirements. 7. Demonstrated the ability to maintain computer database as per organizational guidelines. 8. Demonstrated the ability to apply communication networks and internet as per organizational guidelines. |
| * + 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place or appropriately simulated environment where assessment can take place   2. Materials relevant to the proposed activity or tasks |
| * + 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| * + 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| * + 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CARRY OUT FINANCIAL ACCOUNTING

**UNIT CODE**: **0411 551 10A**

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Account for assets and liabilities | 1. ***Organization assets*** are determined as per the accounting standards. 2. ***Organizational liabilities*** are determined as per the accounting standards. 3. Plant, property and equipment movement schedule is prepared as per the accounting standards. |
| 1. Prepare financial statements of a partnership | 1. Partnership income statement is prepared as per the accounting standards. 2. Partnership financial position statement is prepared as per accounting standards. 3. Changes in partnership – admission of a new partner, retirement and change are established as per partnership deed. 4. Partnership profit sharing ratio is applied as per the partnership deed. |
| 1. Prepare financial statements of a company | 1. Income statement is prepared as per the accounting standards. 2. Statement of financial position is prepared as per the accounting standards 3. Financial statements under incomplete information are prepared as per accounting standards. |
| 1. Prepare financial statements of a manufacturing entity | 1. Features of a manufacturing entity are identified as per accounting standards. 2. Costs between manufacturing selling and administration are Classified and apportioned as per accounting standards. 3. Manufacturing account, income statement and   statement of financial position is prepared as per accounting standards. |
| 1. Prepare financial statements of a not-for-profit making organization | 1. Non-profit making Features are determined as per the organizational requirements 2. Funds and their accounting treatment are established as per the work place requirements. 3. Income and expenditure account are prepared as per the accounting principles. 4. Statement of financial position is drafted as per the accounting principles. |
| 1. Analyse financial statements | 1. Categories of cash are identified as per the accounting principles. 2. Methods of preparing statement of cash flows are determined as per accounting standards. 3. Statement of cash flows is prepared as per accounting standards. 4. Ratios are analysed as per the accounting principles. |
| 1. Carry out public sector accounting | 1. Public sector entities are identified as per the international public sector accounting standards (IPSAS) 2. Regulatory and oversight structures are identified as per IPSAS. 3. Public sector accounting sector techniques are applied as per the IPSAS. 4. Public sector accounts are carried out as per the IPSAS. |

**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: | * Non -current assets: Property, plant and equipment * Intangible assets – recognition, measurement (amortization, impairment and revaluation), * Disposals and disclosures * Financial assets * Current assets: stock, debtors |
| 1. Organizational liabilities mayinclude but not limited to: | * 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 | Assessment requires evidence that the candidate:   1. Accounted for assets and liabilities as per accounting principles. 2. Prepared Financial statements of a sole trader as per accounting standards. 3. Prepared Financial statements of a partnership as per accounting standards. 4. Prepared Financial statements of a company as per accounting standards. 5. Prepared Financial statements of a manufacturing entity as per accounting standards. 6. Prepared Financial statements of a not-for-profit making organization as per accounting standards. 7. Analyzed financial statements as per accounting standards. 8. Demonstrated the ability to carry out Public Sector Accounting as per IPSAS. |
| * + - 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place or appropriately simulated environment where assessment can take place   2. Materials relevant to the proposed activity or tasks |
| * + - 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| * + - 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| * + - 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CONDUCT PUBLIC FINANCE AND TAXATION

**UNIT CODE:** **0411 551 11A**

**UNIT DESCRIPTION**

This unit specifies the competencies required to apply principles of taxation. It involves; demonstrating understanding of public finance and taxation process, demonstrating understanding of public budget process, managing public finance, computing taxable income, computing capital allowances, administering income tax, administering presumptive tax and VAT and administering customs and excise duty.

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Demonstrate understanding of public finance and taxation process | 1. Public finance sources are identified as per income tax Act 2. Public expenditure is determined as per income tax Act. 3. Principles of an optimal tax system are identified as per income tax Act 4. Taxes and tax rates are classified as per income tax Act. 5. Impact, incidence and shifting of tax are determined as per income tax Act. 6. Taxable capacity is determined as per income tax Act. 7. Structure of revenue authority is reviewed as per the income tax Act. |
| 1. Demonstrate understanding of public budget process | 1. Public budget policy is formulated as per the public finance management Act. 2. Budget committee is formed as per the public finance management Act. 3. Public budget components are identified as per the public finance management Act. 4. Previous public budget is reviewed as per the public finance management Act. 5. Public budget approval is carried out as per the public finance management Act. 6. Public budget is executed as per the public finance management Act. 7. Public budget is audited as per the public finance management Act. |
| 1. Manage public finance | 1. Public finance principles are applied as per the public finance management Act. 2. Government expenditure areas are identified as per the public finance management Act. 3. Government revenue sources are selected as per the public finance management Act. 4. Taxation principles are applied as per the public finance management Act. 5. Fiscal policy is formulated as per the public finance management Act. 6. National debt levels are determined as per the public finance management Act. |
| 1. Compute taxable income | 1. Sources of taxable income are identified as per income tax Act. 2. Employment income is computed as per income tax Act. 3. ***Business*** income is computed as per income tax Act. 4. Income from rent and royalties, farming, investment and capital gain tax are computed as per income tax Act. |
| 1. Compute capital allowances | 1. Investment deductions are determined as per the income tax Act. 2. Industrial building deductions are determined as per income tax Act. 3. Wear and tear allowances are determined as per income tax Act. 4. Farm works deductions are determined as per income tax Act. 5. Mining allowance are determined as per income tax Act 6. Shipping investment deduction is determined as per income tax Act. |
| 1. Administer income tax | 1. Assessments and returns are determined as per income tax Act. 2. PAYE returns are prepared as per income tax Act. 3. Notices, objections, appeals, appellant bodies and relief of mistakes are identified as per income tax Act. 4. Collection, recovery and refund of taxes procedures are determined as per the revenue authority procedures 5. Offences, fines, penalties and interest are determined as revenue authority procedures 6. ICT is applied in taxation as per the integrated tax system |
| 1. Administer presumptive tax and VAT | 1. Presumptive tax is determined as per income tax Act. 2. Businesses are registered and deregistered for VAT as per VAT Act. 3. Taxable and non-taxable supplies/ and privileged persons and institutions are determined as per VAT Act. 4. VAT is accounted for as per VAT Act. 5. VAT is remitted and refunded as per VAT Act 6. Rights and obligations of VAT registered person are identified as per VAT Act. 7. Offences fines, penalties and interest implications are determined as per the VAT Act. |
| 1. Administer customs and excise duty | 1. Customs and excise duty procedures are determined as per customs and excise Act. 2. Import and export duties are determining as per customs and excise Act. 3. Prohibitions and restriction measures on import are identified as per customs and excise Act. 4. Transit goods and bond securities are identified as per customs and excise Act. 5. Excisable goods and services are identified as per customs and excise Act. 6. Customs and excise duties purpose is identified as per customs and excise Act 7. Goods subject to customs control are identified as per customs and excise Act. 8. Import declaration form, pre-shipment inspection, clean report of findings is identified as per customs and excise Act. |

**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. Businesses may include but not limited to: | * + Sole proprietorship   + Partnership   + Companies   + NGOs   + SACCOs and cooperatives |

**REQUIRED KNOWLEDGE AND UNDERSTANDING**

The individual needs to demonstrate knowledge of:

* Business & Economic cycles in a diverse range of sectors.
* Financial Accounting.
* Risk management.

**SKILLS**

The individual needs to demonstrate the following skills:

* Evaluation.
* Communication
* Analysis.
* Report writing.
* Negotiation
* Inter-personal.

**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 | Assessment requires evidence that the candidate:   1. Demonstrated understanding of public finance and taxation as per public finance management Act 2. Demonstrated understanding of public budget process as per public finance management Act 3. Managed public finance as per public finance management Act. 4. Computed taxable income as per income tax Act. 5. Computed capital allowances as per income tax Act 6. Administered income tax as per income tax Act. 7. Administered presumptive tax and VAT as per VAT Act. 8. Administered customs and excise duty as per customs and excise duty Act. |
| 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CONDUCT QUANTITATIVE TECHNIQUES

**UNIT CODE**: **0411 551 12A**

**UNIT DESCRIPTION**

This unit specifies the competencies required to conduct quantitative techniques. It involves carrying out quantitative techniques, applying correlation and regression analysis, formulating linear programming models, carrying out operational matrices, applying time series, analyzing project networks, applying calculus, formulating inventory control models, determining probability and probabilistic distribution and testing hypothesis.

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Carry out quantitative techniques | 1. Purpose of quantitative techniques are identified as per organizational requirement 2. Types of quantitative techniques are determined as per organizational requirements 3. Quantitative techniques are established as per organizational requirement |
| 1. Apply correlation and regression | 1. Independent and dependent variables are identified based on the data provided. 2. Linear regression and correlation equations are formulated based on the data provided. 3. Linear regression and correlation equations are analyzed as data provided 4. Constants are interpreted as per equations. |
| 1. Formulate linear programming models | 1. Assumptions are identified as per data 2. Linear equations are formulated as per data 3. Linear programming methods are selected as per data 4. Linear equations are analyzed as per data 5. Linear results are interpreted as per data. |
| 1. Carry out operational matrices | * 1. Matrix order is determined as per order of operations   2. ***Matrix operations*** are preformed as per order of operations.   3. Inverse of the matrix is determined as per order of operations.   4. Simultaneous equation is formulated as per data function   5. The unknown variables are determined as per data |
| 1. Apply time series | * 1. Components of time series are identified as per the data.   2. Time series methods are selected as per organizational objectives.   3. Various time series models are decomposed as per the policy guidelines. |
| 1. Analyse project networks | * 1. Project networks are analysed as per network rules   2. Network rules are determined as per network rules   3. Network analysis is constructed as per network rules   4. Project critical path and duration are determined as per network rules |
| 1. Apply calculus | * 1. Business functions are identified as per organizational objectives.   2. Business functions are differentiated as per organizational objectives.   3. Business functions are integrated as per organizational objectives.   4. Business functions are interpreted as per organizational objectives. |
| 1. Formulate inventory control models | * 1. Inventory control models assumptions are identified as per organizational guidelines.   2. Inventory control model is selected as per organizational objectives.   3. Stock levels are determined as per organizational objectives.   4. ***Total inventory costs*** are determined as per organizational objectives. |
| 1. Determine probability and probabilistic distribution | * 1. Probability events are classified as probability rules   2. Probability laws are applied as per probability rules.   3. Probability distribution functions are determined as per probability rules. |
| 1. Carry out hypothesis testing | * 1. Hypothesis tests are identified as per organizational objectives.   2. Hypothesis errors are determined as per organizational objectives.   3. Critical and acceptance regions are determined as per the data   4. Z-test and T-tests are carried out as per the data. |

**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. Matrix operations may include but not limited: | * additions, * subtractions, * division * multiplication |
| 1. Total inventory costs may include but not limited: | * Purchase * Ordering * Holding |

**REQUIRED KNOWLEDGE AND UNDERSTANDING**

The individual needs to demonstrate knowledge of:

* **Mathematics**
* **Economics**
* **Numeracy**
* **Statistics**

**SKILLS**

The individual needs to demonstrate the following skills:

* **Critical thinking**
* **Communication skills**
* Analytical.
* Report writing.
* Problem solving

**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 | Assessment requires evidence that the candidate:   1. Demonstrated the ability to carry out quantitative techniques as per organization objectives. 2. Applied Correlation and regression as per organization objectives. 3. Formulated linear programming models as per organization objectives. 4. Demonstrated the ability to carry out operational matrices as per the order of operations. 5. Applied time series as per organization objective. 6. Analyzed project Networks as per network rules. 7. Demonstrated the ability to apply Calculus as per organization objectives. 8. Formulated Inventory control models as per organization objectives. 9. Determined Probability and probabilistic distribution as per probability rules. 10. Demonstrated the ability to test hypothesis as per organization objectives. |
| 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CONDUCT FINANCIAL MANAGEMENT

**UNIT CODE**: **0411 551 13A**

**UNIT DESCRIPTION**

This unit specifies the competencies required to conduct financial management. It involves; identifying financial sources, evaluating financial markets and systems, determining time value of money, analysing risk and return, determining cost of capital, managing working capital, evaluating capital budgeting decisions, formulating dividend decisions and applying Islamic finance.

**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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Identify financial sources | 1. Sources of finance are identified as per the capital markets regulatory authority 2. Sources of finance are classified as per the capital markets regulatory authority. 3. Evaluation criteria are determined as per the capital markets regulatory authority. 4. Finance sources are evaluated as per the set criteria. |
| 1. Evaluate financial markets and systems | 1. ***Financial institutions*** are identified based on the markets. 2. Financial institutions roles are determined as per the organizational objectives. 3. Financial institutions are analyzed based on financial performance. 4. Financial institution is selected as per the organization objectives. |
| 1. Determine time value of money | 1. Discounting factor is determined as per the prevailing market conditions 2. Future time value of money is computed based on discounting factor. 3. Present time values of money are computed based on discounting factor. 4. Annuities and perpetuities are determined as per the discounting factor. 5. Loan amortization schedule is prepared discounting and compounding factor. |
| 1. Analyze risk and return | * 1. Risk and return are identified as per organization objective.   2. Risk and return components are determined as per the organization objective..   3. Risks are classified as per the standard operating procedures   4. Risk and return for a single asset is determined.   5. Investment decisions are determined as per the organizational requirement. |
| 1. Determine cost of capital | 1. Capital structure is determined as per financial statements. 2. Component costs of capital are identified as per financial statements. 3. Component costs of capital are computed as per financial statements. 4. Cost of capital is analysed in line with financial effects 5. Weighted average cost of capital is determined in view of applicable rates. 6. Marginal cost of capital is determined in view of applicable rates. 7. Optimal capital structure is determined based on organizational objectives. |
| 1. Manage working capital | 1. Components of working capital are identified as per the organization’s objective. 2. Working capital sources are selected as per the organization’s objective.. 3. Operating cash cycle is determined as per the organization’s objective. 4. Working capital polices are formulated as per the organization’s objective. 5. Cash and inventory optimal levels are determined as per the organization’s objective. 6. Account payables period is determined as per the organization’s objective. 7. Account receivables collection period is determined organization’s objective. |
| 1. Evaluate capital budgeting decisions | 1. Investment projects are classified organization’s objective. 2. Investment criterion is identified organization’s objective. 3. Investment techniques are selected as per the organizational requirements. 4. Investment projects are appraised based on the techniques. 5. Investment project is selected based on the criterion. |
| 1. Formulate dividend decisions | * 1. Dividend policies are formulated as per organization policy   2. ***Forms of dividend payments*** are identified as per organizational policy   3. Dividend Payment schedules is prepared as per the organizational policy. |
| 1. Apply Islamic finance | * 1. Islamic finance principles and trends are determined based on the Sharia Law   2. Islamic finance sources are selected as per the sharia law.   3. Islamic finance interest (RIBA) is determined as per Sharia Law   4. Islamic finance returns are analysed as per the work place objectives.   5. Islamic finance securities are evaluated as per Sharia Law |

**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. Financial institutions may include but not limited: | * Commercial banks * Merchant banks * Central bank * Sacco’s * Pension funds * Mutual funds * Insurance * Micro-finance |
| 1. Forms of dividend payments may include but not limited: | * Cash * Script/stock * Bonus * Rights |

**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 | Assessment requires evidence that the candidate:   1. Identified financial sources as per organizational objectives. 2. Evaluated financial markets and systems as per the financial markets authority. 3. Determined time value of money as per discounting and compounding factors. 4. Analysed risk and return as per organizational objectives. 5. Determined cost of capital as per organizational objectives 6. Managed working capital as per organizational requirements. 7. Evaluated Capital Budgeting decisions as per organizational objective. 8. Formulated dividend decisions as per organizational policy 9. Demonstrated the ability to apply Islamic finance as per Sharia law |
| * + - 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| * + - 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| * + - 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| * + - 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CONDUCT MANAGEMENT ACCOUNTING

**UNIT CODE**: **0411 551 14A**

**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**  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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Gather costing data | 1. Operating costs, administration and finance cost data are established as per the work place procedures. 2. Costing data is collected as per work place procedures. 3. The ideal cost accounting system is selected as per workplace requirements. |
| 1. Perform cost classification | 1. Costing data is coded and classified as per organizational policy. 2. Costing data is reviewed as per the organizational policy. 3. Cost classification methods are identified and selected as per the organization policy. |
| 1. Analyse costing data | 1. Cost estimation methods are selected and applied as per organizational procedures. 2. Data is reconciled as per the organizational procedures. 3. Cost data is analysed as per the work place procedures. 4. Costs data is interpreted as per organizational performance objectives. 5. Cost pricing is determined as per work place procedures. |
| 1. Manage accounting costs | 1. Elements of cost are identified as per the organizational objectives. 2. Costing procedures are developed as per the organizational requirements. 3. Cost element valuation methods are selected as per the organizational requirements. 4. Cost records are maintained as per the organizational requirement. 5. Cost control procedures are developed as per the organizational requirement. |
| 1. Consolidate financial and cost accounting systems | 1. Financial transactions are analyzed as per specific accounts. 2. Journal entries are recorded based on the double entry concept. 3. Entries are adjusted at the end of each accounting period. 4. Ledger systems are integrated and interlocked as per the accounting period. |
| 1. Apply costing methods | 1. ***Costing methods*** are selected as per organizational policy. 2. Input cost data is recorded based on the selected method. 3. Cost data is analyzed as per the selected method. 4. Cost per unit is determined as per accounting procedures. |
| 1. Prepare marginal and absorption costing | 1. ***Costing techniques*** are selected as per accounting procedures. 2. Marginal and absorption statements are prepared as per accounting procedures. 3. Marginal and absorption profits/losses are reconciled as per accounting procedures. 4. Costs, sales and profits are analysed as per accounting procedures. 5. Planning decision is determined as per accounting procedures. |
| 1. Manage budgets and budgetary controls | 1. Budgets are prepared as per the organizational requirements. 2. Budget estimates are forecasted as per the organizational requirements. 3. **B**udgets are documented as per the organizational requirements. 4. Budget estimates are implemented as per the organizational requirements. 5. Budget outcomes are monitored as per the organizational requirements. 6. Budget outcomes evaluated as per the organizational requirements. |

**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: | * Job order costing * Batching * Process coasting * Service costing * Unit costing |
| 1. Costing techniques may include but not limited: | * 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 | Assessment requires evidence that the candidate:   1. Gathered costing data 2. Performed Cost classification 3. Analysed costing data 4. Managed accounting costs 5. Consolidated financial and cost accounting systems 6. Applied costing methods 7. Prepared marginal and absorption statements 8. Managed budgets and budgetary controls |
| 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| 1. Context of Assessment | 4.1 The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |

# CONDUCT FINANCIAL AUDITS

**UNIT CODE**: **0411 551 15A**

**UNIT DESCRIPTION**

This unit specifies the competencies required to conduct financial audits. It involves carrying out pre-engagement procedures, planning financial audit, monitoring internal control system, detecting errors and frauds, gathering audit evidence, carrying out risk assessment, carrying out computerized auditing and carrying out audit report.

**ELEMENTS AND PERFORMANCE CRITERIA**

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| **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.  ***Bold and italicized terms are elaborated in the range.*** |
| 1. Carry out pre-engagement procedures | 1. Firm’s ability to perform the audit engagement is determined as per audits requirements. 2. Compliance of the firm and the engagement team is determined as per ethical standards. 3. Audit independence is determined as per audit requirements. 4. Engagement letter is offered as per audit requirement. |
| 1. Plan financial audit | 1. Audit approach is determined as per organization policy. 2. Audit schedule is prepared as per the approach. 3. Audit plan is prepared as per audit schedule 4. Internal control system is reviewed organizational policy. 5. Audit team is updated on internal control systems as per organizational policy. |
| 1. Monitor internal control system | 1. Internal controls are identified as per the organizational requirement 2. Internal control system is designed as per the organizational requirements. 3. Internal control systems are developed organizational requirements. 4. Internal control system is tested as per the organizational requirements 5. Internal control system is implemented as per the work place requirements 6. Internal control system is evaluated as per the organizational requirements |
| 1. Detect errors and frauds | 1. Audit tests are carried out as per the organizational requirements 2. Errors and frauds are identified as per the organizational requirements 3. Errors and frauds are classified as per the organizational requirements 4. Errors and frauds significance level is determined as per organizational requirements. |
| 1. Gather audit evidence | 1. Documents, intangible and records are inspected as per audit requirements. 2. Procedures and processes are observed as per audit requirements. 3. Management enquires are carried out as per audit requirements 4. Confirmation evidence is obtained as per audit requirements. 5. Audit evidence is analysed as per audit requirements. |
| 1. Carry out risk assessment | 1. Risks of material misstatement at both the financial statement level and assertion level are assessed. 2. Inherent risks, control risks and limitations are identified as per audit requirements. 3. Level of detection risk is determined as per assessed level of risk of material misstatement. 4. Auditing procedures are planned as per level of risk of material misstatement. |
| 1. Carry out computerized auditing | 1. Computerized auditing systems are identified. 2. Operational contents are examined as per the organizational requirements. 3. Auditing checklist is prepared based on the inspection process. 4. Auditing technique is selected as per the audit requirements. 5. Auditing process is carried out based on the selected technique. |
| 1. Carry out audit report | 1. Analytical procedures are carried out as per audit procedures. 2. ***Subsequent events*** are reviewed as per audit procedures 3. Going concern of is determined as per audit requirements. 4. Financial statement compliance with IFRS is checked 5. Audit documentation is reviewed to determine conclusion support for audit report 6. Audit report is prepared as per international standards of auditing (ISAs). |

**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.

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| **Variable** | **Range** |
| 1. Subsequent events may include but not limited to: | * Payment to supplier * Testing inventory cut off |

**REQUIRED KNOWLEDGE AND UNDERSTANDING**

The individual needs to demonstrate knowledge of:

* Financial Accounting
* **Taxation**
* **Auditing**
* **Mathematics**
* **Business communication**
* **Economics**
* Company law
* Business ethics

**SKILLS**

The individual needs to demonstrate the following skills:

* **Interpersonal skills.**
* **Professional scepticism**
* **Critical thinking and business acumen**
* **Emotional intelligence**
* **Communication skills**
* Evaluation.
* Analysis.
* Numeracy.
* Report writing.
* Negotiation

**EVIDENCE GUIDE**

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

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| 1. Critical Aspects of Competency | Assessment requires evidence that the candidate:   1. Carried out pre-engagement procedures as per audit requirements. 2. Planned financial audit as per audit requirements 3. Monitored internal control system as per organizational policy 4. Detected errors and frauds as per audit requirements 5. Gathered audit evidence as per audit requirements 6. Carried out risk assessment as per audit requirements 7. Carried out computerized auditing as per audit requirements 8. Carried out audit report as per audit requirements. |
| 1. Resource Implications | The following resources should be provided:   * 1. Access to relevant workplace where assessment can take place   2. Appropriately simulated environment where assessment can take place   3. Materials relevant to the proposed activity or tasks |
| 1. Methods of Assessment | Competency in this unit may be assessed through:  3.1 Practical  3.2 Projects  3.3 Poe evaluation  3.4 Third party reports  3.5 Written tests |
| 1. Context of Assessment | The competency may be assessed in a workplace or a simulated workplace |
| 1. Guidance information for assessment | 5.1 Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended. |