Qualification Number: 610/0819/9
Qualification Specification
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aat

Award in BUSINESS SKILLS

LEVEL 1

AAT is a registered charity. No. 1050724

Updates to this specification

Since first publication of the Level 1 Award in Business Skills, the following areas of the qualification specification have been updated.

Version	Date first published	What has been updated
Version 2.4	23 September 2026	Updates to copyright statements.
Version 2.3	1 September 2026	Links updated Amendments to enquiries text (Review of Marking)
Version 2.2	23 September 2025	Descriptions and links updated
Version 2.1	15 April 2024	Section 9: Using tools and techniques to present numerical data
Version 2.0	8 March 2024	Annual review completed – no updates needed.
Version 1.2	11 January 2024	Section 9: Using tools and techniques to present numerical data
Version 1.1	4 August 2022	Final version published Section 9: Using numbers in business (3.1.1)
Version 1.0	1 May 2022	First publication

This qualification is approved and regulated by:

- the Office of Qualifications and Examinations Regulation (Ofqual) in England and internationally
- the Council for the Curriculum, Examinations and Assessment (CCEA) in Northern Ireland
- Qualifications in Wales (QiW).

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1. About AAT

AAT is a trusted brand for quality-assured accountancy qualifications across the globe, working with students and members, and partnering with AAT-approved training providers. We also have licensed members throughout the UK. Our members are represented at every level of the finance and accounting world, including students studying for a career in finance, people already working in accountancy and self-employed business owners. To find out more about us and our impact, please visit **aat.org.uk/about/what-we-do**

Alongside the AAT accounting qualifications, AAT also offers short qualifications to meet the varied needs of our students. Our short qualifications provide a range of entry points through which students with varied experiences can engage with AAT and achieve their career goals.

Level 1 qualifications are an entry point for students who need additional support to develop their finance or business skills. These qualifications are designed to give students the introductory knowledge and confidence to take on higher level AAT qualifications and to progress in their lives and careers.

Studying an AAT short qualification allows students to focus on specific knowledge and skills. Students may wish to move into employment. They may wish to advance in specialised subject areas such as bookkeeping in order to become a bookkeeping member of AAT and achieve AAT Bookkeeper status (AATQB). Alternatively, students may wish to complete the AAT accounting qualifications to professional level, giving them the opportunity to become full members of AAT and achieve MAAT, and internationally recognised professional status in accounting and finance.

Find out more about AAT

2. Ethics: we set and raise standards

AAT is about more than qualifications. AAT is recognised and respected as a professional membership body by a wide range of businesses. We require our members to take a professional and ethical approach throughout their accountancy and finance careers.

It is because of our exceptionally high standards and the professionalism of our members that AAT members are so highly regarded. This is a benefit to us as a professional body and to our members.

We publish the **AAT Code of Professional Ethics**, which sets out a code of fundamental ethical principles and supporting guidance, and is based on the IFAC Code of Ethics for Professional Accountants. The decisions that an accounting technician makes during their professional life can have real ethical implications, and this is where the Code can help. It:

- sets out the required standards of professional behaviour with guidance to help our members achieve them
- helps our members to protect the public interest
- helps our members to maintain AAT's good reputation and public confidence.

To reflect the realities of the workplace, we have embedded ethical dilemmas and decision making throughout the content of AAT's qualifications and assessments. This will help to set our students on the right path as they embark on careers as accountancy or finance professionals.

3. Student registration: support every step of the way

Registering with AAT is essential if students wish to study an AAT qualification. Once students have registered and purchased access to their desired qualification, they can:

- sit AAT assessments
- access AAT support resources to supplement the qualification learning and aid career progression.

AAT registration is a one-off fee, giving students access to the purchased qualification for the lifespan of the qualification. Additional fees will apply for sitting AAT assessments.

We support and develop our students through AAT Approved training providers across the world. We also have an extensive branch network where students can access support and training and meet other AAT students and professional members in their local area.

Prospective students wishing to register for the Level 1 Award in Business Skills can **Register with AAT**

Students are advised to register with an AAT Approved training provider before registering with AAT. On registration, an email confirming their registration and an AAT registration number will be sent.

Find out more about the benefits of registering with AAT

4. Choosing to study the AAT Level 1 Award in Business Skills

4.1 Who should choose to study this qualification?

The Level 1 Award in Business Skills offers students the opportunity to develop key practical skills used in every business as a route into employment. On completion of this qualification, students will also be equipped with a strong foundation from which to progress to further study with AAT in either accountancy or bookkeeping if they would like to do so.

This qualification will particularly suit those students with minimal work experience or those who require additional support to progress. This may include younger students, those on traineeships seeking basic employability skills, adults seeking to validate their existing skills to enter into the workplace, or those who want to study higher level AAT qualifications but would like to test their abilities before progressing further with AAT.

4.2 Why choose this qualification?

At Level 1, AAT offers the Level 1 Award in Bookkeeping and the Level 1 Award in Business Skills. These short qualifications are flexible, adaptable to different student needs and requirements and valued by employers in a range of industries.

Students should choose to study the Level 1 Award in Business Skills to help them develop their employability skills and prepare for the workplace. Students will develop their basic numeracy skills to support everyday business activities, which will also be of use in their activities outside work. Students will also gain a practical understanding of how money moves in business and the processes and procedures that control the sales and purchases processes.

This qualification would be appropriate for students who wish to pursue a range of careers in either the private or public sectors. Those students who wish to focus on finance roles only will benefit from studying this qualification alongside the more technically focused but complementary Level 1 Award in Bookkeeping.

This qualification will usually take around 12 weeks to complete, but this will depend on the study method and course timetable.

4.3 What does the qualification cover?

This qualification covers a range of skills and the relevant supporting knowledge in two mandatory units:

- Working in the business environment
- Using numbers in business.

The qualification is assessed in one end-of-qualification assessment.

Students completing this qualification will develop an understanding of how different organisations operate, across both the public and private sectors. They will learn how to contribute effectively in the workplace by working with others, managing their time, behaving professionally and maintaining security of data. Students will also gain an understanding of the ways in which businesses process sales and purchases and the documentation and procedures used to move goods and services between businesses.

Studying this qualification will also equip students with the basic numerical skills needed in the workplace, and in life outside work. These numerical skills range from simple calculations that are used most often in business to working with decimals, percentages and fractions, and applying proportions and ratios. Students will also learn tools and techniques to enhance the presentation of numerical data.

4.4 What will this qualification lead to?

The skills developed by studying this qualification will give students a solid base from which to seek employment with greater confidence or enable them to progress to the next level of learning.

The skills developed in this qualification can lead to employment in junior or supporting administrative roles in companies across a wide range of sectors, for example, as:

- a data entry clerk
- an accounts administrator
- an administrative assistant
- a receptionist
- a retail assistant
- a customer service advisor
- a dispatch clerk/warehouse operative.

This qualification is not part of an apprenticeship.

5. About the AAT Level 1 Award in Business Skills

Qualification name	AAT Level 1 Award in Business Skills
Qualification number	610/0819/9
Level	1
Guided learning hours (GLH)	75
Total qualification time (TQT)	110

5.1 Guided learning hours (GLH) value

The total GLH value for the Level 1 Award in Business Skills is 75 hours.

The GLH value for a qualification is an estimate of the amount of time a student spends learning under the supervision of a teacher or tutor. This might include lectures, tutorials or supervised study carried out either face-to-face or remotely. Time spent by tutors, teachers or external experts assessing student performance is also included. It doesn't include time that students spend on unsupervised preparation or study.

The GLH value is set and recommended as appropriate by AAT, but some students may need more or less support to achieve the qualification. The GLH value is not a compulsory measure for all students. Training providers have the flexibility to offer the qualification in the hours required by their own students, within the constraints of any funded provision requirements.

5.2 Total qualification time (TQT) value

The TQT value for the Level 1 Award in Business Skills is 110 hours.

The TQT value is also a measure of how long it takes to complete a qualification, but it includes both GLH and unsupervised learning.

Any independent study time or any additional work by the student that is directed by, but not under the supervision of, a tutor is included in the TQT value. This might include working through e-learning at home or time spent on independent research.

5.3 Are there any prerequisites for this qualification?

AAT does not set any entry requirements for this qualification.

However, for the best chance of success, we recommend that students begin their studies with a good standard of English and maths. Accountants work at the very heart of a business and are expected to be able to communicate information clearly and appropriately to a given audience.

5.4 Exemptions and Recognition of Prior Learning (RPL)

As this qualification has only one end-of-qualification assessment, AAT will not recognise any exemption or RPL requests.

6. Employer involvement

AAT qualifications are recognised and valued by employers as vocational and technical qualifications that prepare students for the world of work and for working specifically in accountancy and finance roles.

6.1 Employer involvement in development and assessment

AAT has worked closely with employers in the development of this qualification to ensure that the qualification demands the skills that an employer would expect of a student at this level.

Employers also contribute to the development of the live materials used to assess students on completion of their study. Employer involvement in assessment of this qualification includes reviewing and editing the assessments and scenarios used to ensure that they reflect realistic working practices and the wider environment.

6.2 Working with employers to deliver the qualification

AAT qualifications are practical and technical qualifications, which have been developed with the involvement and support of employers. Teaching and learning should reflect this practical focus, and students must be encouraged to relate their learning to current issues and activities in the workplace. Students will benefit from contact with employers during their course of study. Employer involvement enhances students' experiences by allowing them to apply their knowledge to real workplace situations and builds bridges between the worlds of study and work.

This may include:

- students participating in work experience that enables them to develop their skills and knowledge
- students working on projects, exercises or assessments set or supervised by employers
- employers delivering areas of qualification content via guest lectures
- students visiting employers or employers providing premises, facilities or equipment
- students attending talks by employers on employability, general careers advice, CV writing and interview training
- students attending careers fairs, events or other networking opportunities
- students learning in simulated or centre-based working environments
- employers providing job references for students.

7. Support for this qualification

7.1 AAT qualification support

Throughout the life of this qualification, AAT will make available a range of free materials and resources to support tutors and students in delivery and assessment.

Materials produced for this qualification will include:

- practice assessments for each assessment
- Annual Chief Examiner reports.

Additional materials may also include:

- e-learning
- Green Light tests
- webinars
- tutor-to-tutor sessions at network meetings.

All AAT study support resources can be accessed via the **AAT Lifelong Learning Portal**.

7.2 Published materials

A number of commercial publishers produce support materials for AAT qualifications. While AAT ensures that commercial publishers have the information they need to produce materials in good time to support the qualifications, AAT does not formally endorse any specific publisher and it does not review publishers' materials for accuracy.

Tutors are reminded to always refer to the unit content within this specification for what to teach and what will be assessed and to refer to a range of support materials where possible. While published materials can offer excellent support and variety in teaching and learning, they should not be used without reference to this specification.

8. The assessment in detail

8.1 How will students be assessed?

Students must successfully achieve one mandatory unit assessment to achieve this qualification. The proportion of this qualification assessed by externally marked assessment is 100%.

The assessment in this qualification:

- is set and marked by AAT
- is computer-based
- is time-limited
- is scheduled by training providers or assessment venues
- takes place at approved training providers and assessment venues under controlled conditions.

This qualification is not graded. To pass the qualification, students must pass one mandatory assessment.

8.2 Availability of assessments

Unit assessments are available to be scheduled on demand throughout the year, except during periods set and communicated by AAT.

8.3 Controlled conditions

AAT has published detailed regulations for training providers and assessment venues regarding how to conduct computer-based assessments.

Training providers and assessment venues must ensure that they comply with the minimum and supporting requirements for the hardware and software used in the delivery of AAT assessments and must ensure that all assessments are delivered securely.

Each training provider and assessment venue must have at least one computer-based assessment (CBA) administrator and at least one invigilator. Training providers and assessment venues must ensure that all assessments are invigilated and conducted in accordance with AAT policies and procedures. To avoid any possible conflict of interest, the CBA administrator(s) and invigilator(s) for an assessment must not be an active AAT student or related to any student taking that assessment, and must not be or have been a tutor involved in preparing students for any of the units that are being assessed.

AAT requirements and regulations for how to conduct assessments within this qualification are detailed in **Instructions for conducting AAT computer-based assessments (CBAs)** (PDF) guidance document. This is hosted on a dedicated assessment support webpage for Qualifications 2022.

8.4 Sitting the assessment

The assessments in this qualification are computer-based, with a time restriction. Details on assessment duration for each unit has been included in Section 9: Units.

Students will be presented with a range of question types and formats in the assessment. These may include multiple-choice questions, numeric gap-fill questions, or question tools that replicate workplace activities such as making entries in a journal. While tasks generally do not have to be completed in a specific order, students are encouraged to proceed through them in the order in which they are presented.

Students should familiarise themselves with the CBA environment, assessment platform software and some of the question styles that they might encounter in the exam by using the practice assessment materials provided by AAT. Registered students may access the **AAT Lifelong Learning Portal** and practice assessment materials through **MyAAT**.

8.5 Marking

The assessment in this qualification is wholly computer marked. Computer marking is completed within the assessment software in accordance with an objective marking scheme devised during assessment development.

8.6 Results

Results for computer marked assessments are made available via MyAAT within 24 hours of submitting the assessment. Students will be advised on what percentage of the marks available they achieved in their assessments.

AAT's feedback service provides a simple summary of students' performance in each assessment. The feedback statement confirms their overall result and a breakdown of performance by task. Students will also be able to see marks available and marks achieved against each task position.

Feedback statements are automatically generated and are designed to help students identify their strengths and any topic areas requiring further study. The student is presented with a short descriptor for each task to describe their performance in that task against the topics assessed. There are four feedback descriptors. Each descriptor provides an indication of how the student has performed in that task and includes generic advice on how to proceed with their studies or continuing professional development (CPD).

8.7 Re-sits

Students should only be entered for an assessment when they are well prepared and they are expected to pass the assessment. Where a student is unsuccessful in an assessment attempt, they should discuss their results with their tutor and revise appropriately before retaking the assessment.

This qualification is not subject to re-sit restrictions.

8.8 Review of Marking

If a student disagrees with their assessment result or would like additional feedback on their performance, they may request a Review of Marking.

A Review of Marking carried out by AAT includes checks to ensure that:
all marking processes have been carried out correctly
every part of the assessment was marked
marks were totalled and recorded accurately
the agreed mark scheme was applied correctly
the overall result is correct

A fee applies for a Review of Marking. This fee will be refunded if the review outcome is in the student's favour.

Full details of the process are available on **AAT's Review of Marking webpage.**

8.9 Appeals

If a student remains dissatisfied after the outcome of a process, they may submit an appeal. An appeal confirms whether AAT's procedures were correctly followed in relation to the following:

- Review of Marking
- Malpractice Review Panel (MRP) decision
- Reasonable Adjustment
- Special Consideration

A fee applies for submitting an appeal. This fee will be refunded if the appeal outcome is in the student's favour.

Full details of the process are available on **AAT's Appeals webpage.**

9. Units

All units in this qualification comply with the requirements set out in the Conditions of Recognition published by the regulators in England, Wales and Northern Ireland and follow a standard format. The unit specification gives guidance on the requirements of the unit for students, tutors, assessors and those responsible for monitoring national standards. Each unit contains a range of sections, as outlined below.

Unit title
This qualification, and its component units, is regulated. The unit title shown is the regulated title of the unit.

Unit level
All units and qualifications are assigned a level using the level descriptors that apply to regulated qualifications in England, Wales and Northern Ireland. There are nine levels of achievement, from Entry Level to Level 8.

GLH value
The GLH value is defined as all the times when a tutor, trainer or facilitator is present to give specific guidance. This definition includes lectures, tutorials and supervised study. It also includes time spent by staff assessing student achievements. It does not include time spent by staff marking assignments or homework where the student is not present.

Assessment methodology
All units will be independently assessed.

Unit reference number
This number is set by Ofqual, the independent qualifications regulator for England, and is unique to the unit.

Introduction
The unit introduction gives the reader an appreciation of the unit in the context of the vocational setting of the qualification, as well as highlighting the focus of the unit. It gives the reader a snapshot of the unit and the key knowledge, skills and understanding gained while studying the unit.

Learning outcomes
The learning outcomes of a unit set out what a student is expected to know or be able to do as a result of their learning.

Scope of content
The scope of content identifies the breadth of knowledge, skills and understanding needed to achieve each of the learning outcomes. The content provides the range of subject material for the programme of learning and specifies the skills, knowledge and understanding required for achievement of the unit.

Content structure

- Each learning outcome is stated in full.
- Topic areas specify the standard that a student is expected to meet in order to demonstrate that the learning outcome has been achieved. These may be shown as ‘Learners need to understand’ for an understanding topic area or ‘Learners need to be able to’ for a skills topic area. Some learning outcomes may include both understanding and skills elements.
- Each topic area is then expanded into key concepts related to that learning outcome.
- Each concept is then further expanded into indicative content where applicable.

Relationship between content and assessment

Students must have the opportunity to cover all the unit content. It is not a requirement of the unit specification that all the content is assessed. However, the indicative content will need to be covered in a programme of learning for students to be able to meet the standard determined in the scope of content.

Delivering this unit

This section includes guidance on how the unit content can be delivered. Tutors are encouraged to develop their own approach depending on the needs of their students but may wish to incorporate some of the ideas included. Tutors may wish to go beyond the scope of the content in order to aid understanding and provide context but must always ensure first that all required content is covered according to the depth and breadth indicated in the scope of content.

Test specification for unit assessment

The test specification for the unit assessment gives details about the assessment method, marking type and duration of the assessment. The contribution that each learning outcome makes to the overall mark for the unit assessment is also provided.

Working in the business environment

Unit level	GLH value	Unit reference number	Assessment
1	45	H/650/2402	Combined unit assessment

Introduction

This unit provides students with an introduction to the business environment. Students will understand the skills needed in the workplace, including the importance of team working, communication, effective time management and the need for professional behaviour. They will explore workplace communications and the use of software for different business tasks, while understanding the need for data security and learning how to keep data secure. Effective communication is required in all job roles. This unit will look at the different methods of communication and the characteristics of effective information.

This unit will help students to prepare to seek employment in a wide range of sectors and to develop the skills that they need to contribute effectively in the workplace. Students will explore the key features of different types of organisations and the sectors in which they operate. They will learn the purpose of different organisations and how they operate, and also how organisations are commonly structured.

Students will learn the importance of sales, purchases and expenses, and the procedures that support them, to the success of those businesses. Students will understand that businesses need to make more sales (income) than purchases (expenses) to operate profitably. Students will become familiar with the relevant terminology and common documents used. They will gain the skills necessary to perform practical finance-related tasks while following business procedures.

On completion of this unit, students will understand the different types of organisations that exist including for profit and not-for profit. They will understand that for profit businesses make money by selling goods and services and not-for profit organisations provides services to the public and generates income to support its purpose. Students will also understand that businesses have to use their income to pay for the costs of running the business. They will know the processes involved in making both sales and purchases and will understand how they can contribute to the success of a business by following business procedures accurately and on time.

Learning outcomes

1. Develop skills for the workplace
2. Understand how organisations operate
3. Understand how sales and purchases support businesses
4. Apply business procedures to sales and purchases

Scope of content

This section illustrates the depth and breadth of content to be delivered for this unit. All areas indicated in the table below must be covered in teaching.

Learners may not be assessed on all content, or on the full depth or breadth of a piece of content. Content assessed may change over time to ensure validity of assessment.

<table>
<tr><th colspan="3">1. Develop skills for the workplace</th></tr>
<tr><td>1.1</td><td colspan="2">The responsibilities of the employee and employer</td></tr>
<tr><td></td><td colspan="2">Learners need to understand:

1.1.1 the responsibilities of the employee:
- follow workplace policies and procedures
- report any health and safety risks
1.1.2 the responsibilities of the employer:
- provide induction to new staff that includes organisation policies and procedures
- provide a safe working environment.</td></tr>
<tr><td>1.2</td><td colspan="2">Working and communicating with others</td></tr>
<tr><td></td><td>Learners need to understand:

1.2.1 the characteristics of effective team working:
- clear roles and responsibilities
- respect
- trust
- co-operation
- common goals
- realistic deadlines
- good communication
- timekeeping
- reliability
- professionalism

1.2.2 the benefit of working in teams:
- collaboration
- sharing ideas
- team morale
- achieving goals
- utilising individuals' skills and expertise
- shared learning

1.2.3 why different methods of communication are used in the workplace:
- emails</td><td>Learners need to be able to:

1.2.6 identify effective and ineffective communication:
- business letters
- emails.</td></tr>
</table>

	- business letters - online meetings - reports - spreadsheets - telephone calls - face-to-face - instant messaging - intranet - shared communication channels 1.2.4 the characteristics of effective written communication: - free from spelling and grammatical errors - key information is included - appropriate salutations are included - content is clear and can be understood by the reader. 1.2.5 how software is used in workplace communications: - word processing - spreadsheet - email - presentation.	
1.3	**Time management**	
	Learners need to know: 1.3.1 how to use planning aids to manage their time: - online (calendars) - work schedules - online collaboration tools - to-do lists (including digital to-do-lists) 1.3.2 the effect on others of failing to meet a deadline: - others may be relying on work produced by the team - impact on other deadlines of the team 1.3.3 that work might be allocated based on how urgent and important it is.	
1.4	**Professional behaviour**	
	Learners need to understand: 1.4.1 the principle of confidentiality: - Compliance with General Data Protection Regulations 1.4.2 how to follow policies and procedures: - sustainability (environmental awareness) - use of social media	

	- use of personal phones - dress codes - answering and making business phone calls 1.4.3 principles of good time keeping: - being at work on time - keeping to break times - not leaving early - discussing workloads with supervisor - agreeing time off with manager 1.4.4 principles of polite communication with colleagues and customers: - using correct names - listening to the other person - avoiding slang, swearing and offensive humour 1.4.5 personal qualities required for employment: - honesty - adaptability - trustworthiness - commitment.
1.5	**The importance of keeping data and information secure**
	Learners need to understand: 1.5.1 why it is important to make sure that data and information is secure: - prevents loss and unauthorised sharing of information - protects against computer failure or viruses - maintains confidentiality - protects customer information - complies with any legal requirements - loss of business / personal reputation 1.5.2 how data and information is kept secure: - use of strong passwords / not sharing passwords - screensavers - encryption - firewalls - use of secure network: remote / hybrid working - storage of hard-copy records, physical access restrictions - storage of soft-copy records: cloud-storage, archives, secure back-ups, restricted access, cybersecurity - authentication required to access cloud-based information - not sharing laptops/computers with others - not leaving confidential information where non-authorised personnel may see/not working in a public space - not discussing confidential information where non-authorised personnel may hear - anti-virus software

	- cookies and privacy settings - the importance of only sharing information with authorised personnel - checking correct recipient before sending required information 1.5.3 threats to data security: - viruses - hacking - phishing - system crashes - employee fraud - corrupt files - natural disasters - accidental deletion.

2. Understand how organisations operate	
2.1	**Key features of different sectors**
	Learners need to know: 2.1.1 the key features of the retail sector: - sells goods to the public - may have a number of branches, franchises or online 2.1.2 the key features of the manufacturing sector: - makes products either for sale or as components for further manufacturing 2.1.3 the key features of the service sector: - provides services rather than manufacturing or selling goods 2.1.4 the key features of the charity and voluntary sector: - generates income to support its purpose 2.1.5 the key features of the public sector: - provides services to the public - funded by government 2.1.6 businesses can operate from a physical location and/or online.

2.2	**Purpose of different types of organisations**
	Learners need to understand: 2.2.1 that some organisations are run for profit: - sole trader - partnership - private limited company (Ltd) - public limited company (PLC) 2.2.2 that some organisations are run not for-profit: - charities - community and voluntary organisations - public sector - social enterprises - community interest companies (CICs) 2.2.3 additional considerations: - sustainability - ethics - diversity and equal opportunities.
2.3	**Structure of organisations**
	Learners need to understand: 2.3.1 different organisations of different sizes have different structures 2.3.2 typical departments within an organisation and what they do: - finance - human resources - information technology - sales and marketing - production - distribution 2.3.3 the structure of a three-level organisation chart: - department staff - department managers - directors 2.3.4 levels of responsibility in an organisation and who each level reports to: - staff - manager - director.

3. Understand how sales and purchases support businesses	
3.1	**Purpose of sales and purchases**
	Learners need to understand: 3.1.1 the importance of sales and purchases: - businesses need money to operate - selling goods and services makes money (income) - buying goods and services costs money (expenses) - businesses need more income than expenses to run profitably - the meaning of profit and loss: income minus expenses - the meaning of surplus and deficit for not-for-profit organisations 3.1.2 possible problems when there is more expenditure than income: - not enough money to pay for expenses and purchases - bank account may become overdrawn - suppliers may withdraw credit - business could fail 3.1.3 possible opportunities when there is more income than expenditure: - saving opportunity - business growth - repay loans - provide return to owners. **Exclusion**: distinction between gross profit and net profit.
3.2	**Principles of sales**
	Learners need to understand: 3.2.1 who goods or services are sold to: - customers - clients 3.2.2 that some sales are made on a cash basis 3.2.3 that some sales are made on a credit basis. **Exclusion**: returned goods.
3.3	**Principles of purchases**
	Learners need to understand: 3.3.1 who goods or services are bought from: suppliers 3.3.2 that some purchases are made on a cash basis 3.3.3 that some purchases are made on a credit basis 3.3.4 that businesses may have a list of approved suppliers. **Exclusion:** returned goods.

3.4	**Payment terms**
	Learners need to understand: 3.4.1 the purpose of payment terms: - to ensure that customers know when to pay their invoices - to ensure that suppliers are paid at the agreed time 3.4.2 common terminology: - payment in advance - payment on delivery - payment 10, 14, 30 or 60 days after invoice date - payment at end of the month of invoice 3.4.3 how payment terms offered to customers/clients and received from suppliers affect the bank balance.

4. Apply business procedures to sales and purchases	
4.1	**Importance of business procedures**
	Learners need to understand: 4.1.1 why it is important to follow business procedures: - to avoid errors - to avoid missing internal and external deadlines - to ensure processes are completed as required by the business - to maintain good business relationships with customers and suppliers 4.1.2 how to follow procedures: - completing documents fully and accurately - completing documents on time - obtaining authorisation - ensuring procedures being followed are up-to-date.
4.2	**Business procedures for sales**
	Learners need to understand: 4.2.1 documents used in the sales process: - customer order - delivery note - sales invoice 4.2.2 the process of making sales: - customer places order - business delivers goods or provides services to customer - business invoices for goods or services - business receives and records the income.

4.3	**Business procedures for purchases and expenses**
	Learners need to understand: 4.3.1 documents used in the purchases and expenses process: - approved supplier list - purchase order - delivery note - goods received note (GRN) - purchase invoice 4.3.2 the process of purchasing goods or services: - business selects supplier - business raises purchase order - business receives goods or services from supplier - business checks delivery note against goods received - business completes goods received note (GRN) - business makes a note of any differences and queries them with supplier - business checks purchase invoice against purchase order and delivery note/ goods received note (GRN) - business makes payment and records the expenditure.
4.4	**Procedures**
	Learners need to be able to: 4.4.1 select an approved supplier for specified goods or services 4.4.2 check for differences between documents in the purchase process (purchase order, goods received note (GRN), delivery note): - incorrect items - incorrect quantity of goods - items missing from delivery - incorrect item price - incorrect calculations.

Delivering this unit

This guidance is intended only to support planning for delivery. Tutors are encouraged to develop their own approach depending on the needs of their students but may wish to incorporate some of the following ideas.

This guidance offers:

- strategies for connecting unit content and the world of work, including use of real-world examples
- suggestions for alternative approaches to the same content for students who learn differently.

Tutors may wish to go beyond the scope of the content, as defined against each learning outcome, in order to aid understanding and provide context but must always ensure first that all required content is covered according to the depth and breadth indicated in the unit specification.

Embedding literacy
For most students this will be their first experience of the accounting profession. Students will need to learn new terminology and many students may not use English as their first language.

Students can be encouraged to develop a list of key terms, writing definitions in their own words and comparing them with other students' definitions. Using this approach may not only help to embed literacy skills but will also help to reinforce understanding of the key accounting terminology that students will go on to encounter throughout their studies.

Students may also be returning to learning after a prolonged period away from study, possibly as a result of unemployment, and this should be considered when planning activities. An initial skills check, in which students demonstrate their ability to perform a selection of calculations from the Using Numbers in Business unit as well as writing a short passage to introduce themselves will generate a valuable insight into initial starting points and will help further embed literacy and numeracy skills.

Learning outcome 1: Develop skills for the workplace

This learning outcome may be introduced through a short team activity in which students must work together to perform a task. Key responsibilities of the employer and employee, working with others and professional behaviour can then be explored through feedback on the task.

Time management may be studied through using the tools specified such as online calendars, work schedules, to-do lists and online collaboration to plan the next stages of learning activity on the course. Monitoring this will expose issues relating to managing time effectively.

Workplace communication could be investigated by matching tasks to the appropriate communication method and software to use. Tutors could create a card sorting activity in which students are given a communication task to match with both a method and software. This topic can be linked to the case study organisation suggested as a delivery method.

Group discussion of case studies in the media may help highlight issues of data security and why it is important to keep information secure. Equally, the case study organisation created as a delivery method may be used as a basis for discussion.

Understanding the characteristics of effective teamworking could be delivered using a case study of a project where team members have displayed these characteristics. Students could write an email and letter based upon a scenario which could then be peer reviewed to ensure they are confident at identifying effective and ineffective information in relation to business letters and emails.

Learning outcome 2: Understand how organisations operate

This learning outcome provides an opportunity to gather an insight into students' prior knowledge of organisation types, sectors, structures and aims (such as for profit and not-for-profit) through their contributions to a group activity, such as contributing to flip charts containing headings from the unit content. Reinforcement of the meanings of the various terms can be achieved through a card sorting activity, a drag and drop activity or the completion of a gapped handout before students contribute this learning to a list of key terms compiled by the group.
At this point, a case study organisation from each sector, in which the students are on placement, may be introduced. The case study could also include discussion points such as: are they run for profit or not-for profit, and how are principles of sustainability, ethics, diversity and equal opportunities considered within the workplace.

A matching cards activity could be introduced when looking at the typical departments within an organisation and what they do. This too could be applied to help learn structures of a three-level organisation chart and levels of responsibility.

Learning outcome 3: Understand how sales and purchases support businesses

This learning outcome requires students to know the importance of sales and purchases and the meaning of terms including profit and not-for profit. This can be explored through discussion in the context of the case study business or another organisation such as a local shop or take away restaurant. This discussion can be guided towards the problems and opportunities that businesses may face.

The group's experiences as customers can be used as a basis for discussion and as a precursor to establishing these principles within the context of a trading business. Payment terminology can be explored through a card sorting activity, a drag and drop activity or the completion of a gapped handout.

There are opportunities to link to Using numbers in business if simple profit calculations are performed.

Learning outcome 4: **Apply business procedures to sales and purchases**

This learning outcome introduces both process and terminology. Building on learning outcome 3, the buying and selling process may be further explored from personal experience but then scaled up into a business context. Tutor input or the use of card sorting and/or drag and drop activities provide a useful opportunity for students to familiarise themselves with the key terms and definitions that they need to know.

The completion of the documents used in the sales and purchases process can be explored, initially with tutor guidance. Students can be stretched by being encouraged them to work either individually or in pairs to produce documents from a blank template for checking by others in the group. Tutors could create a simulated finance function, in which students start to pass purchase orders and goods received notes, followed by invoices and delivery notes, around the class. This would allow students to gain confidence in their calculations and develop their skills in checking the accuracy of and differences within the documentation.

Links with other units
This unit has close links with:

- Level 1 Using numbers in business
- Level 1 Bookkeeping fundamentals
- Level 2 The business environment
- Level 2 Introduction to bookkeeping

Using numbers in business

Unit level	GLH value	Unit reference number	Assessment
1	30	J/650/2403	Combined unit assessment

Introduction

Numeracy is an essential business skill and helps an employee to operate more effectively in any workplace. Students will also encounter many situations outside work where basic numeracy is required. Completing this unit will help students to develop their confidence and their ability to use numbers in a wide range of situations.

On completion of this unit, students will have the skills to practically apply a range of common numerical methods to everyday business situations, whatever their role and regardless of the type of organisation in which they might work.

Students will be able to record and sort numbers, identify differences between figures and complete simple calculations. Students will also be able to work out averages, use time and currency in calculations that support everyday business activities and work with more complex calculations, including those involving common decimals, fractions, percentages and proportions. Basic formulas and formatting will also be taught in order to enhance the presentation of numerical data.

This unit is subject to assessment from 15 April 2024.

Learning outcomes

1. Perform simple business calculations
2. Calculate decimals, fractions, percentages, proportions and ratios
3. Use tools and techniques to present numerical data

Scope of content

This section illustrates the depth and breadth of content to be delivered for this unit. All areas indicated in the table below must be covered in teaching.

Learners may not be assessed on all content, or on the full depth or breadth of a piece of content. Content assessed may change over time to ensure validity of assessment.

1. Perform simple business calculations	
1.1	**Record and sort whole numbers**
	Learners need to be able to: 1.1.1 record numbers in words and figures 1.1.2 arrange numbers, including positive and negative numbers, in ascending and descending order - identify highest number - identify lowest number 1.1.3 calculate range 1.1.4 identify most frequently occurring number or numbers (mode).
1.2	**Check results of calculations**
	Learners need to be able to: 1.2.1 estimate figures 1.2.2 round figures: - to whole numbers - to one/two decimal places 1.2.3 estimate highest and lowest possible results 1.2.4 cross-check calculations.
1.3	**Identify differences between figures over time**
	Learners need to be able to: 1.3.1 identify increases 1.3.2 identify decreases.

1.4	**Complete calculations**
	Learners need to be able to: 1.4.1 use numerical functions: - addition - subtraction - multiplication - division - calculate average (mean) 1.4.2 work with common units of time: - hours - days - weeks - months - quarters - years.

2. Calculate decimals, fractions, percentages, proportions and ratios	
2.1	**Calculate decimals, fractions and percentages of numbers**
	Learners need to be able to: 2.1.1 calculate decimals 2.1.2 calculate simple fractions: - 1/2 - 1/4 - 1/5 - 1/10 2.1.3 calculate whole percentages 2.1.4 calculate figures using whole percentages 2.1.5 express a number as a fraction or percentage of another.
2.2	**Calculate equivalent fractions, percentages and decimals**
	Learners need to be able to: 2.2.1 convert fractions into percentages and decimals 2.2.2 convert percentages into fractions and decimals 2.2.3 convert decimals into percentages and fractions.
2.3	**Calculate and apply simple proportions and ratios**
	Learners need to be able to: 2.3.1 express two numbers as a ratio 2.3.2 apply a proportion or ratio to a number.

3. Use tools and techniques to present numerical data	
3.1	**Formulas**

Learners need to be able to:

3.1.1 use basic formulas when completing calculations:

- **addition**:
  - =SUM(CELLREFERENCE 1:CELLREFERENCE 2)
    - e.g. =SUM(A1:B10)
  - =CELLREFERENCE 1+CELLREFERENCE 2
    - e.g. =A1+B10
- **subtraction**:
  - =CELLREFERENCE 1+CELLREFERENCE 2
    - e.g. =B10-A1
- multiplication:
  - =CELLREFERENCE 1*CELLREFERENCE 2
    - e.g. =A1*B10
- division:
  - = CELLREFERENCE 1/CELLREFERENCE 2
    - e.g. =A1/B10

Note: Use of formulas will be limited to one function for a calculation.

Students will **not** be credited for formulas that include:

- unnecessary spaces
- commas
  - for example: =SUM(B2,C2) rather than =SUM(B2:C2)
- square brackets [ ] or curly brackets { } learners **must** use ( )
- use of brackets to reference single cells
  - for example: =(B1)+(B2)
- SUM formulas that use individual cell references, rather than an array
  - for example: =SUM(B1+B2+B3) rather than =SUM(B1:B3)
- PRODUCT in formulas for multiplication
- Numbers in place of cell references
- Redundant references to cells not required for the calculation
- Using unnecessary positive/negative signs to begin or modify a calculation
  - for example: expressing =C11-B11 as =+C11-B11 or =-(B11-C11)
- adding 0s to cell references
  - for example: A01 or B09, rather than A1 or B9

3.2	**Formatting**
	Learners need to be able to: 3.2.1 use formatting to enhance presentation of information: - bold - italics - underline - font colour - text size - fill cell will colour - accounting - thousands - percentages - decimal places.

Delivering this unit

This guidance is intended only to support planning for delivery. Tutors are encouraged to develop their own approach depending on the needs of their students but may wish to incorporate some of the following ideas.

This guidance offers:

- strategies for connecting unit content and the world of work, including use of real-world examples
- suggestions for alternative approaches to the same content for students who learn differently.

Tutors may wish to go beyond the scope of the content, as defined against each learning outcome, in order to aid understanding and provide context but must always ensure first that all required content is covered according to the depth and breadth indicated in the unit specification.

Embedding literacy

For most students this will be their first experience of the accounting profession. Students will need to learn new terminology and many students may not use English as their first language.

Students can be encouraged to develop a list of key terms, writing definitions in their own words and comparing them with other students' definitions. Using this approach may not only help to embed literacy skills but will also help to reinforce understanding of the key accounting terminology that students will go on to encounter throughout their studies.

Students may also be returning to learning after a prolonged period away from study, possibly as a result of unemployment, and this should be considered when planning activities. An initial skills check, in which students demonstrate their ability to perform a selection of calculations as well as writing a short passage to introduce themselves will generate a valuable insight into initial starting points and will help further embed literacy and numeracy skills.

Learning outcome 1: Perform simple business calculations

This learning outcome requires the use of a range of maths functions. Students can check the accuracy of calculations on documents through estimation and then use a calculator to cross-check for accuracy. Tutors could set a task in which calculations are given and estimates created before students use a calculator to cross-check their results. Increases and decreases in figures could then be identified through comparing students' estimates with calculated figures.

Students must complete calculations using numerical functions and this can be developed when producing business documentation or using worksheets with given calculations. Units of currency can be included here.

Work with units of time can be explored using the task of planning a daily routine or tasks that are performed at intervals, such as paying a monthly phone bill or annual insurance. Activities could also be focussed on business scenarios that consider working hours, how many days in a month and how many months are in a quarter.

Learning outcome 2: Calculate decimals, fractions, percentages, proportions and ratios

This learning outcome introduces students to decimals, fractions and percentages and the process of converting these into one another. This could be demonstrated using money as a starting point. For example, 50p is 0.5 of £1 or ½ of £1 or 50% of £1. Emphasising the links between all three will strengthen students' recognition of equivalents and their ability to convert them. Focusing on terms such as 'half-price' or 'quarter of a pizza' may support recognition even further.

The use of small items may used to introduce proportion and ratios. This can be developed as ratios and proportions are applied to given numbers. For example, students could look at the number of customers that pay within 30, 60 or 90 days.

The business documents included in Working in the business environment provide an ideal basis for the introduction of rounding. Students may experiment with quantity multiplied by unit price as a means of calculating figures that can be rounded to whole numbers or two decimal places.

Learning outcome 3: Use tools and techniques to present numerical data

The use of formatting and mathematical formulas should, wherever possible, be embedded within the learning when covering calculations. Incomplete spreadsheets could be provided for students to complete the gaps and use formatting skills to format the information to ensure the information looks professional. For example, use of formatting techniques to sales data from different regions or countries.

Links with other units
This unit has close links with:

- Level 1 Working in the business environment
- Level 1 Bookkeeping fundamentals
- Level 2 The business environment
- Level 2 Introduction to bookkeeping

Test specification for Business Skills unit assessment

There will not be a separate Qualification Technical Information (QTI) document for this assessment.

Assessment method	Marking type	Duration of assessment
Computer-based assessment	Computer marked	1 hour 30 minutes

Learning outcomes	Weighting
Working in the business environment	
1. Develop skills for the workplace	20%
2. Understand how organisations operate	15%
3. Understand how sales and purchases support businesses	15%
4. Apply business procedures to sales and purchases	15%
Using numbers in business	
1. Perform simple business calculations	15%
2. Calculate decimals, fractions, percentages, proportions and ratios	10%
3. Use tools and techniques to present numerical data	10%
Total	**100%**

10. Delivering AAT qualifications

10.1 Staff requirements

AAT requires that all staff who deliver AAT qualifications, including tutors, assessors and verifiers, are professionally competent to do so.

For more information, please refer to the **AAT Code of practice** and **AAT Guidance for training providers** available through MyAAT

10.2 Training provider and assessment venue approval

Training providers must be approved by AAT to offer these qualifications. To apply to become an AAT Approved training provider, email **trainingproviders@aat.org.uk** with the following information:

- full name of organisation
- full postal address, including postcode
- landline telephone number
- website address – this must be a live, fully functioning website
- other awarding bodies with which the organisation is accredited.

When AAT has received this information, an account manager will set up a meeting and discuss the criteria needed for approval. Only applications that meet AAT's high standards will be approved.

Existing training providers who wish to offer the qualification(s) should apply through the qualification approval section under online centre services, which can be found under the MyAAT login. Please note that only the training provider's main contact can apply for qualification approval.

Some organisations will not wish to become AAT Approved training providers but may be interested in administering AAT assessments by becoming an approved assessment venue. To apply to become an AAT-approved assessment venue, email **assessment.venues@aat.org.uk** with the following information:

- the full address of the proposed venue
- any experience in administering computer-based assessments.

AAT will evaluate whether a venue meets the minimum hardware and software requirements, is a suitable environment for delivering assessments and has the staff to run assessments successfully. A representative from AAT will conduct a visit before approval is granted.

10.3 Quality assurance

AAT monitors training providers to ensure their continued compliance with the AAT approval criteria, the **AAT Code of practice** for approved training providers and appropriate regulatory requirements.

All training providers have an allocated point of contact and will be subject to a range of quality assurance activities (including visits, remote activities, self-assessment and thematic reviews) to ensure that quality standards are being met. The frequency of quality assurance activities will depend on a number of factors, including the level of risk associated with the provider's experience in delivering AAT qualifications and/or the outcomes of previous quality assurance activities.

Training providers will receive a report following on from any quality assurance activity from AAT, which will identify any actions that are to be addressed.

AAT may apply an action plan with deadlines and/or a sanction where training providers do not meet the requirements set out in the **AAT Code of practice** for approved training providers, which may be accessed via MyAAT.

Sanctions will be applied at training provider level and will take the following form:

- Level 1: Action plan imposed
- Level 2: Suspension of the right to claim certification
- Level 3: Suspension of the right to register students, schedule assessments and claim certification.

Where AAT considers that there is an irretrievable breakdown in the management and quality assurance of the delivery of specified qualifications, AAT will withdraw training provider approval.

11. Equality and diversity

AAT firmly believes in equality of opportunity for all who participate in its qualifications. As well as our commitment to the Equality Act 2010, we aim to ensure that:

- our qualifications are free from barriers that restrict access and progression
- our qualifications are attainable by all who can demonstrate the required standard by whatever means
- our qualifications, publications and procedures are free from discriminatory practices or stereotypes with regards to age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sexual orientation, caring responsibilities, and part-time working. Assessment tasks and study opportunities are sufficiently varied and flexible to ensure that no particular group of students or would-be students are placed at any disadvantage
- all reasonable adjustments are made to cater for the individual requirements of students
- assessments are valid and reliable to ensure that all students receive impartial treatment.

We do this by:

- considering issues of diversity and equality as part of the development process
- avoiding the creation of barriers that might disadvantage those students who share one or more protected characteristics
- consulting with students (or their representatives)
- collecting data for monitoring and evaluation
- providing additional information at **aat.org.uk/about/what-we-do/responsible-business-strategy**

11.1 Reasonable adjustments

A reasonable adjustment is an arrangement that can be put in place by AAT or the assessment centre prior to an assessment to help students with a long-term disability, such as dyslexia, or who are temporarily impaired, such as a student who has broken their arm, to do their best. For example, this could mean applying extra time for dyslexic students or allowing the use of a scribe for a student with a broken arm.

In most cases, it should be possible for the assessment centre to make the decision to grant adjustments and notify AAT before scheduling the assessment: for example, granting extra time up to and including one-third of the available time as published for that assessment. However, if a more significant adjustment is needed, assessment centres may need to obtain approval from AAT first.

Further information about reasonable adjustments and the procedures for notification and approval are given in the **Guidance on the Application of Reasonable Adjustments and Special Consideration** in AAT assessments available through MyAAT

11.2 Special consideration

Special consideration is a process that takes account of a student's circumstances, for example a temporary illness or injury, or some other event outside of the student's control, at or shortly before the time of assessment, which could have had an effect on the student's ability to take the assessment. The process entails a review of the student's performance in the assessment and, if appropriate, the application of a small mark adjustment to compensate, as far as possible, for the difficulties that they might have experienced.

Further information about special consideration and the procedure that must be followed in notifying AAT is given in the **Guidance on the Application of Reasonable Adjustments and Special Consideration** in AAT assessments available through MyAAT

12. Support for training providers

12.1 Partner Support team

The Partner Support team is dedicated to helping training providers with the daily running of AAT qualifications. The team also offers one-to-one support for new training providers to help them get their AAT qualifications up and running.

Phone: +44 (0)203 3735 2443
Email: **partner.support@aat.org.uk**

12.2 Partner Account Manager (PAM)

Each training provider has their own Regional Account Manager (RAM) assigned to support them once they have been approved as an AAT training provider. RAMs help provide links to local employers and visit regularly to keep training providers up to date on qualification developments, apprenticeships and possible commercial opportunities.

12.3 Weekly email update from AAT – *SummingUp*

Every Friday, *SummingUp* shares all the latest news from AAT with AAT Approved training providers, including:

- technical updates
- qualification developments
- upcoming events
- new e-learning materials
- the latest marketing materials.

12.4 Events for training providers

Tutors have the opportunity to attend the following events throughout the year.

Annual conference
The annual training provider conference is a chance to get together, network and share ideas. The conference typically includes:

- topical and technical workshops
- guest speaker sessions
- the opportunity to learn about new developments directly from AAT.

Network meetings and monthly SummingUp Live webinars
At these events, training providers can raise queries, share best practice and ideas with AAT and other training providers. The events:

- cover a wide range of topics
- keep tutors up to date on the latest issues
- provide relevant and cost-effective CPD.

Technical events (tutor-to-tutor sessions)
These events are free of charge to training providers and cover a range of our qualifications and assessment areas. Experienced and high-performing training providers share their experiences, tips and techniques with attendees to help others improve their teaching and delivery.

12.5 Tutor talk forum

All AAT Approved training providers have access to Tutor talk, where tutors can contribute to online conversations about a wide range of AAT issues. Tutors will receive:

- unlimited user logins for all AAT tutors
- email updates on posts they're interested in.

12.6 Online support resources

In order to help tutors deliver AAT qualifications, a range of support materials are offered for all AAT qualifications, such as:

- interactive PDFs
- recorded webinars
- videos
- podcasts
- training materials
- quiz questions for all AAT units.

All support materials can be found on the **AAT Lifelong Learning Portal**.

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