

FOUNDATION

DIPLOMA IN
**ACCOUNTING
AND BUSINESS**

LEVEL 2

aat

The AAT Foundation Diploma in Accounting and Business

Who should choose to study this qualification?

The AAT Foundation Diploma in Accounting and Business is ideal for anyone wishing to study accountancy and finance alongside a range of complementary business and personal skills.

The purpose of the AAT Foundation Diploma in Accounting and Business is to offer the foundation accounting knowledge needed to progress to employment or further study in accountancy and finance, alongside business and personal skills that are transferable to any sector and additional business knowledge relevant to accountancy. The Foundation Diploma offers a broader focus than the Foundation Certificate, which enhances employability and is particularly suitable for young people studying full time.

AAT does not set any prerequisites for the study of the AAT Foundation Diploma in Accounting and Business. However, for the best chance of success, we recommend that students begin their studies with a good standard of English and maths. If students do have any other relevant school or college qualifications, a degree or some accounting experience, these may in certain circumstances entitle students to claim exemptions.

Why choose this qualification?

At Foundation Level, AAT offers both the AAT Foundation Certificate in Accounting and the AAT Foundation Diploma in Accounting and Business.

Students should choose the AAT Diploma in Accounting and Business if they are interested in developing transferable business and personal skills alongside their core accountancy skills. The Foundation Diploma may also be valuable for those entering the workplace for the first time or for those changing career who would like additional support in upskilling to enter (or re-enter) a business environment. The AAT Foundation Diploma in Accounting and Business is particularly suitable for 16–19-year-old students undertaking a study programme.

This qualification will usually take around one year to complete if studying full time.

What does the qualification cover?

The AAT Foundation Diploma in Accounting and Business covers a broad range of core accounting skills, as well as accountancy-related business skills and communications and personal skills. It comprises nine mandatory units (330 guided learning hours):

- Bookkeeping Transactions
- Bookkeeping Controls
- Elements of Costing
- Using Accounting Software
- Work Effectively in Finance
- Business Communications and Personal Skills
- Developing Lifelong Learning Skills
- Introduction to Business and Company Law
- Introduction to Payroll

Working in accountancy requires good communication skills, information technology skills and an understanding of the business environment, as well as an understanding of daily finance/accounting functions. The purpose of this qualification is to ensure that students are well rounded and well prepared to progress into a career in business, finance or professional accountancy, or into further education.

All of the units within the qualification are mandatory. Six units are assessed individually in end-of-unit assessments. This qualification also includes a combined unit assessment, which draws two units together in one assessment, and a synoptic assessment that draws on and assesses knowledge and understanding from across a number of units.

A student completing this qualification will develop accountancy skills in double-entry bookkeeping and basic costing, as well as an understanding of purchase, sales and general ledgers. Students will learn to use accounting software and to develop the professional skills and behaviours needed to contribute effectively in the workplace. Working in accountancy requires good communication skills, IT skills and an understanding of the business environment, all of which are covered by this qualification.

The AAT Foundation Diploma in Accounting and Business also develops additional business skills that have particular relevance to those working in accountancy, finance and general business roles. Students are introduced to the payroll function and learn how to calculate basic pay. Students are also introduced to elements of commercial law that might have an impact on them when working in accountancy, such as contract law, employment law and company law. In addition, students will further develop their business communication and personal skills and will learn how to manage their personal and professional development through lifelong learning.

It is good practice for students to work with employers while studying. However, this may be a mandatory course requirement for 16–19-year-old students on study programmes. It may include work experience or placements, working on projects or exercises set or supervised by those working in the industry, or by attending masterclasses or guest lectures by people working in accounting.

Employers also contribute to the development of AAT qualifications. A student who passes an AAT assessment is passing a test of real workplace skills, set in a real workplace context which has been reviewed by practitioners and industry experts.

What will this qualification lead to?

The accountancy and business skills developed by studying this qualification will enable a student to seek employment with confidence and/or to progress to the next level of learning.

A student completing this qualification will develop skills in double-entry bookkeeping and will understand how to use journals, control accounts and a trial balance. Students will also learn how to use an accounting software package, how to process financial information in accordance with company procedures and schedules, and how to provide information to colleagues, suppliers and/or customers as required.

The finance, accountancy, business and communications skills developed in the AAT Foundation Diploma in Accounting and Business can lead to employment as:

- an accounts administrator
- an accounts assistant
- an accounts payable clerk
- a purchase/sales ledger clerk
- a trainee accounting technician
- a trainee finance assistant
- a payroll clerk

The accountancy and finance knowledge developed in this qualification is also the underpinning knowledge needed for the higher-level accountancy and financial skills developed in the Advanced and Professional AAT accounting qualifications:

- AAT Advanced Diploma in Accounting
- AAT Professional Diploma in Accounting

For example, double-entry bookkeeping at Foundation level is the basis for Advanced Bookkeeping in the Advanced Diploma; which leads on to Financial Statements of Limited Companies in the Professional Diploma. Students are introduced to costing at Foundation level, which is then developed in the Management Accounting unit in the Advanced Diploma and expanded further in the Professional Diploma.

Is this part of an apprenticeship?

The AAT Foundation Diploma in Accounting and Business is not part of an apprenticeship but will establish the foundation skills and knowledge needed to progress to apprenticeships at higher levels.

Who supports this qualification?

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

A full list of the employers who have offered their support and their letters of support for the AAT Foundation Diploma in Accounting and Business can be found on our qualifications pages at aat.org.uk/qualification-specifications/employer-letters-of-support



I want to change my career.
Studying with AAT gave me the
confidence and expertise to
pursue a full-time career in
accounting.

Ashleigh Moorcroft,
Student