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# AAT Glossary

| <b>Term</b>  | <b>Meaning</b>   |
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| <i>AAT qualification</i>                           | Any or all AAT qualifications accredited by OFQUAL.  |
| <i>AAT Regulations</i>                             | The AAT Regulations as published by the <i>Association</i> from time to time.  |
| <i>accountancy services</i>                        | Any or all services as described in the <i>Licensing policy</i> within the <i>Licence Tiers</i> .  |
| <i>Adjournment of Disciplinary Hearings policy</i> | The <i>Association's</i> policy on the adjournment of Disciplinary hearings, published from time to time.  |
| <i>affiliate</i>                                   | An individual <i>Registered</i> under Regulation 8 of the <i>AAT Regulations</i> who holds an <i>AAT qualification</i> but has not yet acquired the necessary <i>work experience competencies</i> for full membership.   |
| <i>Anti Money Laundering supervision</i>           | Supervision of compliance with the <i>Money Laundering Regulations</i> and <i>Proceeds of Crime Act</i> from time to time in force.  |
| <i>appealable decision</i>                         | Any decision to refuse a <i>licence</i> under Regulation 9 or to impose a <i>specific condition</i> under paragraph 10 of the <i>Licensing policy</i> or to terminate a <i>licence</i> under Regulation 12 of the <i>Licensing Regulations</i> ; any decision to refuse an application under Regulations 7 to 11 or 39 of the <i>AAT Regulations</i> ; any finding of <i>misconduct</i> or sanction imposed under Regulations 30 and 31 of the <i>Disciplinary Regulations</i> . |
| <i>appellant</i>                                   | An individual bringing an appeal under the <i>Appeals Regulations</i> .  |
| <i>Appeals Committee</i>                           | A committee with a quorum of three consisting of two lay and one professional panellist drawn from the pool of the <i>Regulatory Committee</i> to hear appeals under the <i>Appeals Regulations</i> .  |
| <i>Appeal fee</i>                                  | Any individual bringing an appeal under the <i>Appeals Regulations</i> must include the appropriate appeal fee of £50.   |
| <i>Appeals Regulations</i>                         | The Appeals Regulations as published by the <i>Association</i> from time to time.  |
| <i>Appeals Secretary</i>                           | The member of staff of the <i>Association</i> responsible for administering appeals brought under the <i>Appeals Regulations</i> or his or her delegate.   |
| <i>applicant</i>                                   | An individual applying for entry to the <i>Register</i> under Regulations 7 to 11 or 39 of the <i>AAT Regulations</i> ; or for a <i>licence</i> under Regulation 9 of the <i>Licensing Regulations</i> .   |
| <i>application</i>                                 | An application for entry to the <i>Register</i> under Regulations 7 to 11 or 39 of the <i>AAT Regulations</i> ; or for a <i>licence</i> under Regulation 9 of the <i>Licensing Regulations</i> .   |
| <i>arrangements for continuity of practice</i>     | The arrangements required of those holding a <i>licence</i> to ensure continuity of service to clients, protection of client work, data and assets and/or orderly closure of their business should the <i>member</i> cease practice for any reason as defined in the <i>Continuity of Practice policy</i> .  |

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| <i>Articles of Association</i>     | The <i>Association's</i> Articles of Association.   |
| <i>Associate member</i>            | An individual <i>Registered</i> under Regulation 9 of the <i>AAT Regulations</i> as an associate member.  |
| <i>Associate Membership policy</i> | The policy published by the <i>Association</i> from time to time detailing the entry requirements and categories of an <i>associate member</i> .  |
| <i>Association</i>                 | The Association of Accounting Technicians, a company registered in England and Wales (No. 1518983) or its employees or delegees.  |
| <i>Bank</i>                        | Means:<br>a) a branch in the United Kingdom or Ireland of:<br>i. the Bank of England; ii. the Central Bank of Ireland;<br>iii. the Central Bank of another member State of the European Union; iv. a person who has permission under Part 4 of the <i>Financial Services and Markets Act</i> to accept deposits; or<br>v. a building society within the meaning of the <i>Building Societies Act 1986</i> which has adopted the power to provide money transmission services and has not assumed any restriction on the extent of that power;<br>b) a branch outside the United Kingdom or Ireland of:<br>i. a bank within the meaning of paragraph a) above;<br>ii. a bank which is a subsidiary or parent company of such a bank;<br>iii. a credit institution, as defined in the First <i>EU Banking Coordination Directive number 77/780</i> (EEC), established in a member State of the European Union other than the United Kingdom or Ireland and duly authorised by the relevant supervisory authority in that member State; and<br>c) i. a bank on the Island of Guernsey that is registered as a Deposit Taker under the <i>Banking Supervision (Bailiwick of Guernsey) Law 1994</i> ; ii. a bank on the Island of Jersey including a registered person under the <i>Banking Business (Jersey) Law 1991</i> ; iii. a bank on the Isle of Man including a bank which is licensed under the <i>Isle of Man Banking Act 1998</i> . |
| <i>bookkeeper</i>                  | A person admitted as an <i>associate member</i> demonstrating the requirements for the subcategory of <i>bookkeeper</i> .   |
| <i>case management hearing</i>     | A hearing convened in accordance with Regulation 14 of the <i>Disciplinary Regulations</i> at which directions may be given for the management of a case to hearing.  |
| <i>chair</i>                       | The member of the <i>Regulatory Committee</i> appointed to chair the <i>Disciplinary Tribunal</i> .   |

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| <i>Civil Sanctions policy</i>        | The <i>Association's</i> policy on civil sanctions published from time to time.   |
| <i>client bank account</i>           | An account at a bank in the name of the <i>firm</i> separate from other accounts of the <i>firm</i> which may be either a general account or an account designated by the name of a specific client or by a number or letters allocated to that account and which, in all cases, includes the word "client" in its title.   |
| <i>client care</i>                   | The arrangements required of those holding a <i>licence</i> for ensuring proper standards of <i>client care</i> and service as detailed in the <i>Client Care</i> policy.   |
| <i>Client Care policy</i>            | The <i>Association's</i> policy on client care published from time to time.   |
| <i>clients' money</i>                | Money of any currency (whether in the form of cash, cheque, draft or electronic transfer) which a <i>firm</i> holds or receives for or from a client, including money held by a <i>firm</i> as stakeholder, and which is not immediately due and payable on demand to the <i>firm</i> for its own account. Clients' money must be held in the currency in which it was received unless the client instructs otherwise in writing. |
| <i>Clients' Money policy</i>         | The policy published by the <i>Association</i> from time to time detailing the requirements to hold <i>clients' money</i> .   |
| <i>Code of Professional Ethics</i>   | The <i>Association's</i> Code of Professional Ethics as published from time to time.  |
| <i>complaint</i>                     | A complaint about a <i>student, affiliate, associate member or member</i> to the effect that he or she has breached the <i>Code of Professional Ethics</i> or has otherwise conducted him or herself in a way that poses a risk to the public or is likely to undermine confidence in the <i>Association</i> or its <i>members</i> .  |
| <i>condition</i>                     | Any condition imposed on a <i>licence</i> under the <i>Disciplinary Regulations</i> or <i>Licensing Regulations</i> and associated policies.  |
| <i>continuity of practice</i>        | Arrangements with another professional accountant to cover all work in the event of long term absence.  |
| <i>Continuity of Practice policy</i> | The policy published by the <i>Association</i> from time to time detailing <i>arrangements for continuity of practice</i> .   |
| <i>costs</i>                         | A monetary charge ordered against a <i>member</i> in respect of <i>costs</i> incurred by Professional Standards in bringing a case before a <i>Disciplinary Tribunal</i> . The maximum amount as set by the <i>Association</i> is £15,000.  |
| <i>Council</i>                       | The Council of the <i>Association</i> .   |
| <i>CPD</i>                           | Continuing Professional Development.  |
| <i>CPD policy</i>                    | The <i>Association's</i> policy on continuing professional development published from time to time.   |

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| <i>criminal conviction</i>          | A conviction or caution in the British Islands for a criminal offence, or a conviction elsewhere for an offence which, if committed in England and Wales, would constitute a criminal offence.  |
| <i>Criminal Conviction policy</i>   | The <i>Association's</i> policy on <i>criminal convictions</i> published from time to time.   |
| <i>disciplinary decision</i>        | A finding of <i>misconduct</i> or sanction imposed under Regulations 30 and 31 of the <i>Disciplinary Regulations</i> .   |
| <i>Disciplinary Regulations</i>     | The <i>Disciplinary Regulations</i> as published by the <i>Association</i> from time to time.   |
| <i>disciplinary sanction</i>        | A sanction imposed under Regulations 30 and 31 of the <i>Disciplinary Regulations</i> ; or equivalent finding concerning an individual by another professional body in the British Islands or elsewhere.  |
| <i>Disciplinary Sanction policy</i> | The <i>Association's</i> policy on <i>disciplinary sanctions</i> published from time to time.   |
| <i>Disciplinary Tribunal</i>        | A panel with a quorum of three consisting of two lay and one professional panellist drawn from the pool of the <i>Regulatory Committee</i> to hear cases brought under the <i>Disciplinary Regulations</i> .  |
| <i>Disclosure policy</i>            | The policy published by the <i>Association</i> from time to time detailing the disclosure requirements during disciplinary proceedings.   |
| <i>evidential test</i>              | The first test applied under Rule 8 of the <i>Disciplinary Regulations</i> in considering whether to bring proceedings, which is whether, on the balance of probabilities, there is evidence to provide a realistic prospect that the <i>member</i> will be found guilty of <i>misconduct</i> , taking into account what the <i>member's</i> case in response may be and how that is likely to affect <i>Professional Standards' case</i> . |
| <i>family</i>                       | Parents, spouse, siblings, half-siblings and offspring.   |
| <i>fine</i>                         | A monetary charge imposed upon a <i>member</i> , issued under the <i>Disciplinary Regulations</i> . The maximum <i>fine</i> as set by the <i>Association</i> is £5,000.   |
| <i>fit and proper</i>               | A person who is considered to be suitable for entry into the accountancy profession by virtue of his or her character and conduct, who has not acted or is not likely to act in a way that poses a risk to the public or is likely to undermine confidence in the <i>Association</i> or its <i>members</i> .  |
| <i>firm</i>                         | A sole practitioner who is a <i>member</i> , or a partnership, or a body corporate or a limited liability partnership comprised in whole or in part of <i>members</i> , the business of whom or of which includes carrying on the profession of accountancy.  |
| <i>fellow member</i>                | A member <i>Registered</i> under Regulation 11 of the <i>AAT Regulations</i> published from time to time.   |
| <i>full member</i>                  | A member <i>Registered</i> under Regulation 10 of the <i>AAT Regulations</i> published from time to time.   |

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| <i>Health policy</i>                                    | The policy published by the <i>Association</i> from time to time detailing the impact of health on <i>members</i> where their conduct or competence causes a risk to the public or to the reputation of AAT and its membership.  |
| <i>household</i>  | Includes anyone residing at the same address as the member as part of a family unit including cohabitation.  |
| <i>Independent Accountant</i>                           | A <i>firm</i> which is a registered auditor under the <i>Companies Act 2006</i> or the <i>Companies Act 1990</i> in the Republic of Ireland and which has satisfied itself that it is independent of the <i>firm</i> on which the Independent Accountant is reporting, in the terms referred to on Independence – assurance engagements in Section 290 in the <i>Code of Professional Ethics</i> .   |
| <i>Independent Accountant's Report</i>                  | A report (in such form as the <i>Council</i> shall from time to time determine) covering such period as the <i>Council</i> or its nominee may require, to the Chief Executive or his nominee, required in terms of Regulation 28(b) and commissioned by the <i>firm</i> which the <i>firm</i> must ensure states whether, in the view of the <i>Independent Accountant</i> :<br>a) it has adequate systems so that it can comply with the <i>Regulations</i> and make the confirmations necessary in terms of Regulation 27;<br>b) it has complied with the <i>Clients' Money</i> policy as at the reporting date; and<br>c) while carrying out the work in support of the Report, anything has come to the <i>Independent Accountant's</i> attention which caused him or her to believe that the <i>firm</i> has failed to comply with the <i>Regulations</i> . |
| <i>Indicative Sanctions Guidance policy</i>             | The <i>Association's</i> policy on <i>Indicative sanctions</i> published from time to time.  |
| <i>insolvency</i>                                       | Bankruptcy, Debt Relief Orders, Individual Voluntary Arrangements under the <i>Insolvency Act 1986</i> and other insolvency matters as defined within the <i>Insolvency</i> policy from time to time in force.   |
| <i>Insolvency policy</i>                                | The <i>Association's</i> policy on <i>insolvency</i> published from time to time.  |
| <i>Instruction of Experts policy</i>                    | The <i>Association's</i> policy on instructing experts for disciplinary investigations published from time to time.  |
| <i>investigation</i>                                    | An investigation of a <i>complaint</i> of <i>misconduct</i> under the <i>Disciplinary Regulations</i> .  |
| <i>Investigations Committee</i>                         | The Committee appointed by the <i>Council</i> to support <i>Professional Standards</i> in the <i>investigation of complaints</i> .   |
| <i>Investigation of Complaints and Referrals policy</i> | The <i>Association's</i> policy on the investigation of complaints and referrals published from time to time.  |

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| <i>Investigations Team</i>           | A team, consisting of a member of <i>Professional Standards</i> and a member of the <i>Investigations Committee</i> , which conducts investigations of <i>complaints of misconduct</i> and decides whether to refer such a <i>complaint</i> to a <i>Disciplinary Tribunal</i> under Regulation 8 of the <i>Disciplinary Regulations</i> .  |
| <i>Legal Assessor</i>                | A solicitor, barrister or legal executive, holding a 7-year general qualification within the meaning of section 71 of the <i>Courts and Legal Services Act 1990</i> , appointed by the <i>Association</i> to provide independent legal advice to the <i>Disciplinary Tribunal</i> or <i>Appeals Committee</i> at hearings.   |
| <i>licence</i>                       | A licence to provide <i>self-employed accountancy services</i> under the <i>Licensing Regulations</i> .  |
| <i>licensing decision</i>            | Any decision to grant, refuse or terminate a <i>licence</i> under the <i>Licensing Regulations</i> .   |
| <i>Licensing Exemption policy</i>    | The <i>Association's</i> policy on licensing exemption published from time to time.  |
| <i>Licensing policy</i>              | The <i>Association's</i> policy on licensing published from time to time.  |
| <i>Licensing Regulations</i>         | The <i>Licensing Regulations</i> as published by the <i>Association</i> from time to time.   |
| <i>Licence Tier</i>                  | A <i>licence</i> may be granted at one of a range of levels known as <i>Licence Tiers</i> , each of which corresponds to the scope of <i>accountancy services</i> the holder is permitted to provide in accordance with the <i>Licensing Regulations</i> and the <i>Licensing policy</i> .   |
| <i>member</i>                        | This term includes <i>students, affiliates, associate members, full members</i> and <i>fellow members</i> , whether past or present. In the <i>Licensing Regulations, Licensing policy and Licence Exemption policy</i> this term applies to <i>associate members, full members</i> and <i>fellow members</i> . In the <i>AAT Regulations</i> this term applies to <i>full members</i> and <i>fellow members</i> only. |
| <i>Membership Criteria policy</i>    | The <i>Association's</i> policy on the requirements for each membership type under Regulations 7 to 11 of the <i>AAT Regulations</i> published from time to time.  |
| <i>misconduct</i>                    | Professional or personal conduct, in breach of the <i>Code of Professional Ethics</i> , which poses a risk to the public or is likely to undermine public confidence in the <i>Association</i> or its <i>members</i> .   |
| <i>mixed monies</i>                  | Monies received (whether in the form of cash, cheque, draft or electronic transfer) or held by a <i>firm</i> or <i>Principal</i> in terms of paragraph 10 of the <i>Clients' Money Policy</i> , which comprises or includes <i>clients' money</i> and money due to the <i>firm</i> .   |
| <i>practice assurance monitoring</i> | The <i>Association's</i> arrangements for assessing the standards of service, <i>client care</i> and practice management of <i>members</i> providing <i>self-employed accountancy services</i> .   |
| <i>practice assurance standards</i>  | The practice standards required of those holding a <i>licence</i> .  |

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| <i>prescribed fee</i>                          | The relevant fee(s) for <i>application</i> or renewal as published by the <i>Association</i> from time to time.  |
| <i>presenting officer</i>                      | Any person appointed by the <i>Association</i> to represent it at any hearing before the <i>Appeals Committee</i> or <i>Disciplinary Tribunal</i> .  |
| <i>Principal</i>                               | A <i>member</i> who is a sole practitioner or who is a partner in a <i>firm</i> which is a partnership or who is a director of a <i>firm</i> which is a body corporate or who is a partner in a limited liability partnership.   |
| <i>Privacy policy</i>                          | The <i>Association's</i> data protection policy as published from time to time.  |
| <i>professional indemnity insurance (PII)</i>  | A policy of liability insurance against claims of professional negligence which meets the minimum standards required by the <i>Association</i> as articulated in the <i>Professional indemnity insurance policy</i> .  |
| <i>Professional Indemnity Insurance policy</i> | The <i>Association's</i> policy on <i>professional indemnity insurance</i> published from time to time.  |
| <i>Professional Standards</i>                  | The department of the <i>Association</i> responsible for investigating <i>misconduct</i> and bringing cases under the <i>Disciplinary Regulations</i> .  |
| <i>Professional Standards Handbook</i>         | The <i>Association's</i> guidance on the investigation and prosecution of cases under the <i>Disciplinary Regulations</i> published from time to time.   |
| <i>public interest test</i>                    | The second test applied under Rule 8 of the <i>Disciplinary Regulations</i> in considering whether to bring proceedings, which is that if a referral of a <i>complaint of misconduct</i> to a <i>Disciplinary Tribunal</i> is likely to result in a sanction greater than a <i>reprimand</i> and/or <i>warning</i> , the <i>Investigations Team</i> will normally refer that <i>complaint</i> to a <i>Disciplinary Tribunal</i> unless it is not in the public interest to do so (which for the avoidance of doubt shall not prevent any disposal of a <i>complaint of misconduct</i> under Rule 6 of the <i>Disciplinary Regulations</i> ). |
| <i>Publication policy</i>                      | The <i>Association's</i> policy on publication of regulatory decisions published from time to time.  |
| <i>Register</i>                                | The Register of <i>students, affiliates, associate members</i> and <i>members</i> maintained by the <i>Association</i> under the <i>AAT Regulations</i> .  |
| <i>Registered</i>                              | The status of being listed on the <i>Register</i> .  |
| <i>registration decision</i>                   | A decision about an <i>application</i> under Regulations 7 to 11 or 39 of the <i>AAT Regulations</i> .   |
| <i>Regulations</i>                             | Any or all regulations as approved by the <i>Council</i> .   |
| <i>Regulatory Committee</i>                    | The pool of suitably qualified persons appointed by the <i>Association</i> to act as panellists at hearings of the <i>Disciplinary Tribunal</i> and <i>Appeals Committee</i> .   |
| <i>Reinstatement policy</i>                    | The <i>Association's</i> policy on reinstatement of membership published from time to time.  |
| <i>Renewal policy</i>                          | The <i>Association's</i> policy on renewal of membership published from time to time.  |
| <i>reprimand</i>                               | A formal rebuke making clear that the <i>misconduct</i> found was unacceptable, issued under the <i>Disciplinary Regulations</i> .   |



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| <p><i>self-employed accountancy services</i></p> | <p>An <i>associate member, full member or fellow member</i> is providing <i>self-employed accountancy services</i> if they are providing accountancy and/or bookkeeping services as:</p> <ul style="list-style-type: none"> <li>• a sole trader; or</li> <li>• a partner in a partnership (whether salaried or equity) that provides accountancy or bookkeeping services and holds at least 5% of the shares* of the partnership; or</li> <li>• a director of a limited company that provides accountancy or bookkeeping services and holds at least 5% of the shares* of the company; or</li> <li>• a Principal in any other corporate entity that provides accountancy or bookkeeping services and holds at least 5% of the shares* of the entity.</li> </ul> <p>* shares belonging to anyone in the member's <i>household or family</i> are treated as belonging to the member.</p> |
| <p><i>specific condition</i></p>                 | <p>A <i>condition or conditions</i> on a <i>licence</i> granted under the <i>Licensing Regulations</i> imposed under paragraph 10 of the <i>Licensing policy</i> in addition to the general <i>conditions</i> applying to all <i>members</i> in accordance with Regulation 11 of the <i>Licensing Regulations</i>.</p>   |
| <p><i>student</i></p>                            | <p>An individual <i>Registered</i> under Regulation 7 of the <i>AAT Regulations</i> holding <i>student</i> status.</p>   |
| <p><i>warning</i></p>                            | <p>A warning as to future conduct imposed under the <i>Disciplinary Regulations</i>.</p>   |
| <p><i>Witness Care and Expenses policy</i></p>   | <p>The <i>Association's</i> policy on witness care and expenses published from time to time.</p>   |
| <p><i>work experience competencies</i></p>       | <p>Demonstration of proficiency in the workplace against specific outputs including technical and personal effectiveness abilities as set out in the <i>Membership Criteria policy</i>.</p>  |

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