



Qualification Number: 603/6344/7

Qualification Specification

Version 3.1 published June 2022

Certificate in  
**BOOKKEEPING**

LEVEL 3

AAT is a registered charity. No. 1050724

## Updates to this specification

Since first publication of the Level 3 Certificate in Bookkeeping, the following areas of the qualification specification have been updated.

Version	Date first published	What's been updated
Version 3.1	10 June 2022	Removal of tracked changes throughout document.
Version 3.0	21 January 2022	Qualification go-live date Section 5.6 / 6.1: Inclusion of dedicated webpage to the RPL and exemptions policy
Version 2.1	24 September 2021	Section 11: Units (additions / omissions highlighted in red)
Version 2.0	23 April 2021	Section 9.6: Results Section 10: Grading Section 11: Units (additions / omissions highlighted in blue)
Version 1.0	1 September 2020	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 Wales.

This qualification will be available for registration from 1 February 2022 via selected AAT approved training providers under a controlled pilot. **The full launch date will be 1 September 2022.**

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# 1. About AAT

AAT works across the globe with around 130,000 students and members in more than 90 countries. 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.

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.

AAT offer a suite of bookkeeping qualifications providing students training for a huge range of bookkeeping roles. The bookkeeping qualifications can provide progression onto the Associate Bookkeeping membership where students will gain professional recognition with the designatory letters AATQB.

The decisions made during a professional life in accountancy or finance can have real ethical implications. To reflect these realities of the workplace, we have embedded ethical dilemmas and decision making throughout AAT's qualifications and assessments. We hope that this will help to set our students on the right path as they embark on careers as accountancy or finance professionals.

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[Find out more about AAT](#)

## 2. Ethics: we set and raise standards

AAT is about more than qualifications. AAT is well recognised and respected as a professional membership body throughout a wide range of businesses and requires its 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 in the course of 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 will be able to:

- 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 more than 500 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 3 Certificate in Bookkeeping are able to register online at [aat.org.uk/register/student](https://aat.org.uk/register/student)

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.

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**Find out more about the benefits of registering with AAT**

## 4. Choosing to study the AAT Level 3 Certificate in Bookkeeping

### 4.1 Who should choose to study this qualification?

The Level 3 Certificate in Bookkeeping develops existing skills and knowledge to an advanced level for anyone wishing to pursue a career in bookkeeping.

This qualification offers progression for students who already have bookkeeping knowledge, either to gain employment in a bookkeeping role or to progress to further study. This qualification is suitable for those who have completed the Level 2 Certificate in Bookkeeping and may help students already working in a bookkeeping role to progress by offering them formal recognition of their skills.

### 4.2 Why choose this qualification?

At Level 3, AAT offers both the Level 3 Certificate in Bookkeeping and the Level 3 Diploma in Accounting.

Students may wish to choose the Level 3 Certificate in Bookkeeping to focus solely on developing their bookkeeping skills in order to progress quickly to employment or to focus on becoming a bookkeeper. Students may also wish to start with this qualification before progressing to complete the Level 3 Diploma in Accounting in order to gain a wider knowledge of accountancy.

In developing this qualification, AAT has carried out extensive consultation with and received input from a wide variety of stakeholders, including industry experts, employers and training providers. AAT qualifications benefit from being globally recognised and they are valued by leading employers, from small high street firms to large accountancy businesses. They offer students flexible study options, with over 500 AAT Approved training providers around the world.

### **4.3 What does the qualification cover?**

The purpose of the Level 3 Certificate in Bookkeeping is to ensure that students have the advanced bookkeeping skills necessary to work in a bookkeeping role or to progress to higher level accountancy.

This qualification comprises two mandatory units (210 guided learning hours in total):

- Financial Accounting: Preparing Financial Statements
- Tax Processes for Businesses.

A student completing this qualification will develop the skills needed for financial processes including accounting principles and concepts, advanced bookkeeping and preparing financial statements. They will also understand business issues regarding payroll and value added tax (VAT) (which may be known by another name in other countries). All of this will be learned in the context of the ethical issues that a bookkeeper may encounter in their professional life.

The two units are assessed individually through computer based end of unit assessments.

### **4.4 What will this qualification lead to?**

The bookkeeping 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.

The skills developed while studying this qualification could lead to employment as:

- a Professional Bookkeeper
- a Senior Bookkeeper
- an Accounts Manager
- a Ledger Manager.

This qualification is not part of an apprenticeship.

### **4.5 How can this qualification lead to other AAT qualifications?**

Students completing this qualification may wish to go on and complete the Level 3 Diploma in Accounting. If students wish to continue studying and choose to complete one of the full AAT Accounting Qualifications, their achievement/s in this qualification may be transferred to the larger qualifications.



## 5. About the AAT Level 3 Certificate in Bookkeeping

Qualification name	AAT Level 3 Certificate in Bookkeeping
Qualification number	603/6344/7
Level	3
Guided learning hours (GLH)	210
Total qualification time (TQT)	330

### 5.1 Guided learning hours (GLH) value

**The total GLH value for the Level 3 Certificate in Bookkeeping is 210 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 3 Certificate in Bookkeeping is 330 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 entry requirements 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. Ideally, students should have completed the Level 2 Certificate in Bookkeeping. Prior attainment of other business or finance studies would also be beneficial.

AAT recommends that students use [AAT Skillcheck](#) to ensure that they're ready to start on a particular qualification.

### **5.4 Will current students be able to transfer their results onto this qualification to complete their studies?**

Students who have already started an AAT qualification should try to complete their studies on their current programme where possible.

If this is not possible, transitional arrangements may be available. In some cases, students may be able to transfer results for current units to similar units in an updated qualification, although this will be strictly time-limited.

Any unit result transferred from a current qualification, for example AQ2016 to the Level 3 Certificate in Bookkeeping, will only be transferred at a maximum pass mark. To achieve a higher percentage for a unit that has been transferred this way, a student is required to retake the assessment and any resit rules of the AAT Accounting Qualifications will apply.

It's important to check for the latest information to see if transitional arrangements apply. You can find out more in the [AQ2016 to Q2022 Transitional arrangements](#) (PDF).

### **5.5 Transferring results from this qualification to the Level 3 Diploma in Accounting**

Students who have completed unit assessments in the Level 3 Certificate in Bookkeeping will be able to directly transfer their results to the Level 3 Diploma in Accounting. These results will not be capped at a maximum pass mark only.

## 5.6 Recognition of prior learning (RPL)

If a student can demonstrate that they already have the knowledge and skills to meet the requirements for a unit assessment, they may be eligible for RPL. This must be arranged through a registered AAT training provider and mapping of the student's skills and knowledge must be uploaded to AAT's assessment platform.

For this Level 3 Certificate in Bookkeeping, RPL is only available for some unit assessments. There are restrictions on the number of units that may be claimed by RPL to ensure that at least 50% of the qualification will always be externally assessed. Where RPL is successfully claimed for a unit assessment, the student will be given a pass mark for that assessment and this mark will be used in determining the final qualification grade. In order to achieve a higher mark, the assessment must be taken as normal.

More details on RPL can be found in the *AQ2016 to Q2022 Transitional Arrangements* (PDF) document at [aat.org.uk/training/qualifications/2022/resources](https://aat.org.uk/training/qualifications/2022/resources) and the dedicated RPL and exemptions webpage at [aat.org.uk/qualifications-and-courses/exemptions-recognition-prior-learning](https://aat.org.uk/qualifications-and-courses/exemptions-recognition-prior-learning).

## 6. Exemptions

### 6.1 Exemptions from AAT assessments

Exemptions may be offered to students who can provide evidence of gaining a previous, relevant qualification. If eligible, students may be exempt from sitting some AAT assessments. This includes students who have completed a recognised accounting or finance-related degree with one of AAT's partner universities.

There are restrictions on how many exemptions are allowed within each qualification. Fees will be charged for exemptions. Exemptions will carry a maximum pass into the overall grade of the qualification.

More details on exemptions can be found in the *AQ2016 to Q2022 Transitional Arrangements* (PDF) document at [aat.org.uk/training/qualifications/2022/resources](https://aat.org.uk/training/qualifications/2022/resources) and the dedicated exemptions and RPL webpage at [aat.org.uk/qualifications-and-courses/exemptions-recognition-prior-learning](https://aat.org.uk/qualifications-and-courses/exemptions-recognition-prior-learning)

## 7. 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.

### **7.1 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.

## 8. Support for this qualification

### 8.1 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:

- one Sample Assessment and Mark Scheme (SAMS)
- practice assessments for each unit
- Qualification Technical Information (QTI)
- 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](#).

### 8.2 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.

## 9. The assessment in detail

### 9.1 How will students be assessed?

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

All assessments in this qualification:

- are set and marked by AAT (with the exception of RPL, which is marked by the training provider)
- are computer based
- are time-limited
- are scheduled by training providers or assessment venues
- take place at approved training providers and assessment venues under controlled conditions.

### 9.2 Availability of assessments

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

### 9.3 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 will be detailed in an updated version of the *Instructions for conducting AAT computer based assessments*

(CBAs) guidance document. This will be hosted on a dedicated assessment support webpage for Qualifications 2022.

#### **9.4 Sitting the assessment**

The assessments in this qualification are computer based, with time restrictions. Details on assessment duration for each unit has been included in Section 11: 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 completing an extended trial balance. 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 [Lifelong Learning Portal](#) and practice assessment materials through [MyAAT](#).

#### **9.5 Marking**

Assessments in this qualification are marked by AAT, with the exception of RPL, and are wholly computer marked. Computer marking is completed within the assessment software in accordance with an objective marking scheme devised during assessment development.

#### **9.6 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).

## **9.7 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.

## **9.8 Enquiries and appeals**

If the student thinks that their assessment outcome does not reflect their performance, they can submit an enquiry. Full details of the process can be found on AAT's dedicated [enquiries and appeals webpage](#). AAT's results enquiry service includes a check of all procedures leading to the issue of the outcome, checking that all parts of the assessment were marked, that the marks were totalled correctly and that the marks were recorded correctly. Students may also request to have the original marking reviewed, to check that the agreed mark scheme was applied correctly.

The appeals process can be followed if a student is not satisfied with the outcome of their enquiry or Malpractice Review Panel (MRP) decision. The appeals process checks all aspects of the original enquiry review or MRP hearing and checks that all AAT procedures have been correctly followed.

Enquiries and appeals can be made by a student or by their training provider or employer on their behalf; enquiries and appeals for a group of students can also be made by a training provider.

There is an administrative fee for enquiries and appeals. All paid fees will be refunded if the outcome of the enquiry or appeal is in favour of the student.

## 10. Grading

To achieve the qualification and to be awarded a grade, a student must pass all mandatory unit assessments.

Students will be awarded a grade based on performance across the qualification. Unit assessments are not individually graded. These assessments are given a mark that is used in calculating the overall grade.

### 10.1 How the overall grade is determined

Students will be awarded an overall qualification grade (Distinction, Merit, and Pass).

Students who do not achieve the qualification will not receive a qualification certificate and will be shown as unclassified. This is indicated below for illustrative purposes only.

The raw marks of each assessment will be converted into a percentage mark and rounded up or down to the nearest whole number. For example, 75.5% would be rounded up to 76%, whereas 82.1% would be rounded down to 82%. This percentage mark is then weighted according to the weighting of the unit assessment within the qualification. The resulting weighted assessment percentages are combined to arrive at a percentage mark for the whole qualification.

<b>Grade definition</b>	<b>Percentage threshold</b>
Distinction	90–100%
Merit	80–89%
Pass	70–79%
Unclassified	0–69% Or failure to pass one or more assessment/s

### Example of Pass

<b>Assessment</b>	<b>Contribution of assessment to qualification grade</b>	<b>Percentage achieved</b>	<b>Weighted percentage contribution to grade</b>
Financial Accounting: Preparing Financial Statements	70%	75%	52.5%
Tax Processes for Businesses	30%	78%	23.4%
<b>Total</b>			<b>76%*</b>

\*has been rounded to nearest whole number

### Example of Merit

<b>Assessment</b>	<b>Contribution of assessment to qualification grade</b>	<b>Percentage achieved</b>	<b>Weighted percentage contribution to grade</b>
Financial Accounting: Preparing Financial Statements	70%	87%	60.9%
Tax Processes for Businesses	30%	75%	22.5%
<b>Total</b>			<b>83%*</b>

\*has been rounded to nearest whole number

### Example of Distinction

<b>Assessment</b>	<b>Contribution of assessment to qualification grade</b>	<b>Percentage achieved</b>	<b>Weighted percentage contribution to grade</b>
Financial Accounting: Preparing Financial Statements	70%	95%	66.5%
Tax Processes for Businesses	30%	92%	27.6%
<b>Total</b>			<b>94%*</b>

\*has been rounded to nearest whole number

## 10.2 Can students improve their grades?

Any student wishing to improve their grade can do so by re-sitting their assessment(s).

Only a student's highest result will count towards their grade. If a student re-sits but, in doing so, achieves an assessment result that would lower their overall grade, their previous higher result will remain valid and will be used to determine their overall grade for the qualification.

It's important to recognise that students achieving a Pass are already demonstrating a high level of competence, as AAT maintains a pass mark of 70% across all assessments.

## 10.3 Grading descriptors

<b>Pass</b>	<b>Merit</b>	<b>Distinction</b>
Recognises, selects and uses management and financial accounting techniques to prepare accounts for sole traders and partnerships.	Recognises and selects a range of management and financial accounting techniques and uses these with a good level of accuracy to prepare accounts for sole traders and partnerships.	Recognises and selects a wide range of management and financial accounting techniques and uses them with a high level of accuracy to prepare accounts for sole traders and partnerships.
Performs calculations for VAT, financial and management accounting purposes and records these in accounting formats, including spreadsheets.	Performs a range of calculations for VAT, financial and management accounting purposes and records these with a good degree of accuracy in a range of accounting formats, including spreadsheets.	Performs a wide range of calculations for VAT, financial and management accounting purposes and records these with a high degree of accuracy in a range of accounting formats, including spreadsheets.
Communicates information clearly in numerical form in appropriate financial and business formats.	Communicates information clearly in numerical form in a range of appropriate financial and business formats.	Communicates information clearly in numerical form in a wide range of appropriate financial and business formats.

## 11. 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. All units in this qualification are Level 3.

### **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 of the unit content. It is not a requirement of the unit specification that all of the content is assessed. However, the indicative content will need to be covered in a programme of learning in order for students to be able to meet the standard determined in the assessment criteria.

### **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.

# Financial Accounting: Preparing Financial Statements

Unit level	GLH value	Unit reference number	Assessment
3	150	R/618/3580	Unit assessment

## Introduction

This unit provides students with the skills required to produce statements of profit or loss and statements of financial position for sole traders and partnerships using a trial balance. In employment, students may be required to prepare a portion of, or all, the final accounts and this unit will give them the theoretical knowledge needed to complete that task. It will also allow them to understand how final accounts have been produced, either manually or automatically through use of accounting software.

Students will gain the double-entry bookkeeping skills required to record financial transactions into an organisation's accounts using a manual bookkeeping system. They will take this forward to carry out adjustments, ensuring that the accounts conform to the accruals basis of accounting. Students will understand depreciation, where the loss of value of a non-current asset during a period is reflected in the profit figure for that period. They will also learn to account for allowances for doubtful receivables where account is taken of the likelihood that not all credit customers will pay in full. These adjustments are regularly carried out by employers to ensure accounts give a more accurate view of both the profitability and the financial stability of the organisation.

By developing an awareness of how the final accounts are used, and by whom, students will appreciate how to produce useful accounting records, sometimes from incomplete information. They will learn about the format of both the statement of profit or loss and the statement of financial position. Students will also learn how to use their double-entry bookkeeping skills to analyse and correct errors that have been made in the ledgers. Students will also be required to check the accuracy of the balances on key accounts within the accounting system by carrying out reconciliations with independent documents, such as bank statements. Accounting ratios to assess the profitability of sole traders will also be introduced, allowing students to interpret financial statements more effectively.

The application of ethical principles is threaded throughout this unit. All work must be carried out with integrity, objectivity and a high degree of professional competence.



## Learning outcomes

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1. Understand the accounting principles underlying final accounts preparation
  2. Understand the principles of advanced double-entry bookkeeping
  3. Implement procedures for the acquisition and disposal of non-current assets
  4. Prepare and record depreciation calculations
  5. Record period end adjustments
  6. Produce and extend the trial balance
  7. Produce financial statements for sole traders and partnerships
  8. Interpret financial statements using profitability ratios
  9. Prepare accounting records from incomplete information
-

## 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.

<b>1. Understand the accounting principles underlying final accounts preparation</b>	
<b>1.1</b>	<b>The primary users of final accounts</b> Learners need to know: 1.1.1 the primary users of final accounts <ul style="list-style-type: none"><li>- existing and potential investors</li><li>- lenders</li><li>- other creditors</li></ul> 1.1.2 how final accounts are used by the primary users.
<b>1.2</b>	<b>The framework of accounting underlying the preparation of final accounts</b> Learners need to understand: 1.2.1 the accounting principles: <ul style="list-style-type: none"><li>- accruals</li><li>- going concern</li><li>- business entity</li><li>- materiality</li><li>- consistency</li><li>- prudence</li><li>- money measurement.</li></ul>
<b>1.3</b>	<b>Qualities of useful financial information</b> Learners need to know: 1.3.1 the fundamental qualitative characteristics: <ul style="list-style-type: none"><li>- relevance representation</li><li>- faithful representation</li></ul> 1.3.2 the enhancing qualitative characteristics: <ul style="list-style-type: none"><li>- comparability</li><li>- verifiability</li></ul>

	<ul style="list-style-type: none"> <li>- timeliness</li> <li>- understandability</li> </ul>
1.3.3	the importance of ensuring financial statements are free from material misstatement
1.3.4	the importance of the accountant's fundamental ethical principles and professional scepticism when preparing financial statements for users.

<b>2. Understand the principles of advanced double-entry bookkeeping</b>			
<b>2.1</b>	<b>Use of the accounting equation</b>		
	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"> Learners need to understand:  2.1.1 the importance of the accounting equation for keeping accounting records  2.1.2 the effect of accounting transactions on elements of the accounting equation: <ul style="list-style-type: none"> <li>- capital</li> <li>- assets</li> <li>- liabilities.</li> </ul> </td> <td style="width: 50%;"> Learners need to be able to:  2.1.3 calculate the different elements of the accounting equation: <ul style="list-style-type: none"> <li>- capital</li> <li>- assets</li> <li>- liabilities.</li> </ul> </td> </tr> </table>	Learners need to understand: 2.1.1 the importance of the accounting equation for keeping accounting records 2.1.2 the effect of accounting transactions on elements of the accounting equation: <ul style="list-style-type: none"> <li>- capital</li> <li>- assets</li> <li>- liabilities.</li> </ul>	Learners need to be able to: 2.1.3 calculate the different elements of the accounting equation: <ul style="list-style-type: none"> <li>- capital</li> <li>- assets</li> <li>- liabilities.</li> </ul>
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<b>2.2</b>	<b>Classification of ledger accounts</b>		
	Learners need to know: 2.2.1 the classification of general ledger accounts into: <ul style="list-style-type: none"> <li>- assets: non-current (tangible, intangible) and current</li> <li>- liabilities: non-current and current</li> <li>- equity (capital)</li> <li>- income</li> <li>- expenses.</li> </ul>		
<b>2.3</b>	<b>Purpose and use of books of prime entry and ledger accounting</b>		
	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"> Learners need to understand:  2.3.1 the daybooks (books of prime entry): sales, sales returns, purchases, purchases returns, discounts allowed, discounts received, cash book and journal (including narratives) </td> <td style="width: 50%;"> Learners need to be able to:  2.3.7 prepare ledger accounts using double-entry principles. </td> </tr> </table>	Learners need to understand: 2.3.1 the daybooks (books of prime entry): sales, sales returns, purchases, purchases returns, discounts allowed, discounts received, cash book and journal (including narratives)	Learners need to be able to: 2.3.7 prepare ledger accounts using double-entry principles.
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	<p>2.3.2 the information recorded in each type of daybook</p> <p>2.3.3 how daybooks are used to update ledger account records, including dealing with value added tax (VAT)</p> <p>2.3.4 the different ledgers and how they interact: the general ledger and the memorandum (subsidiary) ledgers (receivables ledger and payables ledger)</p> <p>2.3.5 control accounts:</p> <ul style="list-style-type: none"> <li>- receivables ledger</li> <li>- payables ledger</li> <li>- wages and salaries</li> <li>- VAT</li> </ul> <p>2.3.6 that accounting software automates the transfer of data into the control accounts.</p>	
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<b>2.4</b>	<b>Carry out financial period end routines</b>	
	<p>Learners need to understand:</p> <p>2.4.1 that at the end of the period accounts are balanced off differently depending on their classification in terms of income, expense, asset, liability or capital</p> <p>2.4.2 that accounting software automates the period end routine.</p>	<p>Learners need be able to:</p> <p>2.4.3 verify general ledger balances by using relevant sources of information and performing reconciliations where appropriate: physical checks, inventory records, supplier and bank statements, receivables and payables ledgers (memorandum ledger accounts), non-current asset register</p> <p>2.4.4 transfer balances or carry down balances on ledger accounts as appropriate</p> <p>2.4.5 determine whether transactions are genuine and valid for inclusion in the organisation's records.</p>

<b>3. Implement procedures for the acquisition and disposal of non-current assets</b>		
<b>3.1</b>	<b>Importance of prior authority for capital expenditure</b>	
	<p>Learners need to understand:</p> <p>3.1.1 why authorisation is necessary</p> <p>3.1.2 the appropriate person in an organisation to give authority.</p>	
<b>3.2</b>	<b>The importance of classifying expenditure into capital or revenue expenditure</b>	
	<p>Learners need to understand:</p> <p>3.2.1 that International Financial Reporting Standards (IFRS) exist that are relevant to non-current assets (NCA): IAS 16</p> <p>3.2.2 the definitions of cost, useful life, residual value, depreciable amount, carrying amount</p> <p>3.2.3 which items can be included in the cost of NCA under the current IFRS (capital expenditure)</p>	<p>Learners need to be able to:</p> <p>3.2.7 categorise items into revenue and capital expenditure for the purposes of accounting for non-current assets.</p>

	<p>3.2.4 that revenue expenditure should be excluded from the value of NCA</p> <p>3.2.5 the importance of only capitalising expenditure in excess of the level specified in the organisation's policy</p> <p>3.2.6 the effect of capitalisation on the statement of profit or loss (SPL) and statement of financial position (SFP).</p>	
<p><b>3.3</b></p>	<p><b>Record acquisitions and disposals of non-current assets</b></p>	
<p>Learners need to understand:</p> <p>3.3.1 the purpose and content of the non-current asset register, including assisting physical verification and reconciling with general ledger entries and balances</p> <p>3.3.2 the meaning of any balance on the disposals account</p> <p>3.3.3 that part-exchange is a different form of funding to cash or credit</p> <p>3.3.4 that non-current asset registers can be part of accounting software or held independently on spreadsheets</p> <p>3.3.5 how gains and losses on disposal are treated at the period end.</p>	<p>Learners need to be able to:</p> <p>3.3.6 update the non-current asset register for acquisitions and disposals</p> <p>3.3.7 record acquisitions and disposals in the general ledger (including part-exchanges)</p> <p>3.3.8 treat VAT according to the registration status of the acquiring organisation.</p>	

#### 4. Prepare and record depreciation calculations

##### 4.1

##### Calculate depreciation

Learners need to understand:

- 4.1.1 that accounting for depreciation is an application of the accruals principle of accounting
- 4.1.2 that the depreciable amount of the NCA should be allocated over the relevant period of its useful life
- 4.1.3 that depreciation can be calculated automatically by accounting software or independently through spreadsheets then journaled-in.

Learners need to be able to:

- 4.1.4 calculate the depreciation charge for an asset, using the straight-line method of depreciation, according to organisational policy, in terms of:
  - using either a given percentage or the useful life calculation method
  - dealing with cases when a residual value is expected or where no residual value is expected
  - depreciating for a full year or pro-rata for part of a year
- 4.1.5 calculate the depreciation charge for an asset, using the diminishing balance method of depreciation for a full year with a given percentage.

##### 4.2

##### Record depreciation

Learners need to be able to:

- 4.2.1 record depreciation in the:
  - non-current asset register
  - general ledger, including producing relevant journal entries
- 4.2.2 reconcile the NCA register to the appropriate general ledger balances.

## 5. Record period end adjustments

<b>5.1</b>	<b>Record accruals and prepayments of income and expenditure</b>	
Learners need to understand:  5.1.1 that adjustments for accruals and prepayments are an application of the accruals principle of accounting  5.1.2 why there can be a difference between the amount paid or received during the period and the amount recognised in the SPL for that period  5.1.3 how adjustments for accruals and prepayments for the current period and the reversal of adjustments for the previous period affect ledger accounts  5.1.4 that accrued and prepaid income and expense balances are recognised as either assets or liabilities  5.1.5 that accounting software automates recurring entries including for accruals and prepayments.	Learners need to be able to:  5.1.6 calculate the amount of a prepayment or accrual adjustment to be made  5.1.7 account for accruals and prepayments by making entries in the general ledger, including using the journal  5.1.8 account for the reversal of accruals and prepayments from a previous period by making entries in the general ledger, including using the journal.	
<b>5.2</b>	<b>Record irrecoverable debts and allowances for doubtful receivables</b>	
Learners need to understand:  5.2.1 that allowances for doubtful receivables are an application of the accruals principle of accounting  5.2.2 the differences between irrecoverable debts, allowances for specific doubtful receivables	Learners need to be able to:  5.2.3 account for the writing-off of an irrecoverable debt and for the recovery of an irrecoverable debt previously written off in the ledgers  5.2.4 calculate new allowances for doubtful receivables and adjustments to existing allowances for doubtful receivables in accordance with organisational policy	



	and general allowances for doubtful receivables.	5.2.5 use the journal to record irrecoverable debts and adjustments to allowances for doubtful receivables.
<b>5.3</b>	<b>Record inventory</b>	
	<p>Learners need to understand:</p> <p>5.3.1 that accounting for inventory is an application of the accruals basis of accounting</p> <p>5.3.2 the effect that changes in valuation of inventory have on profit/loss for a period</p> <p>5.3.3 that IFRS exist that are relevant to inventory valuation: IAS 2</p> <p>5.3.4 that inventory must be valued at the lower of cost and net realisable value (NRV) on an individual item basis</p> <p>5.3.5 which types of expenditure can be included in the valuation of inventory</p> <p>5.3.6 that accounting software automates the process of recording, tracking and valuing inventory.</p>	<p>Learners need to be able to:</p> <p>5.3.7 determine the closing inventory figure in accordance with current accounting standards</p> <p>5.3.8 make entries in the journal to record the value of closing inventory.</p>
<b>5.4</b>	<b>Considerations for recording period end adjustments</b>	
	<p>Learners need to understand:</p> <p>5.4.1 that when making period end adjustments:</p> <ul style="list-style-type: none"> <li>- there is scope to significantly affect the reported results of the organisation</li> <li>- accounting software requires the user to enter dates accurately</li> </ul> <p>5.4.2 the need to apply professional scepticism, integrity and objectivity to prevent misleading and inaccurate information</p> <p>5.4.3 the effects of including misleading or inaccurate period end adjustments (non-compliance with regulations, misinformed decision making by users of the final accounts)</p> <p>5.4.4 how to respond appropriately to period end pressures:</p> <ul style="list-style-type: none"> <li>- time pressure</li> </ul>	

	<ul style="list-style-type: none"> <li>- pressure to report favourable results</li> <li>- pressure from authority.</li> </ul>
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<b>6. Produce and extend the trial balance</b>		
<b>6.1</b>	<b>Prepare an initial trial balance</b>	
	<p>Learners need to understand:</p> <p>6.1.1 that certain accounts can carry either a debit or a credit balance: VAT, disposals, bank, irrecoverable debts expense</p> <p>6.1.2 the importance of producing the trial balance to check for errors</p> <p>6.1.3 the limitations of the trial balance as a check for errors</p> <p>6.1.4 that accounting software completes the transfer of data into the trial balance.</p>	<p>Learners need to be able to:</p> <p>6.1.5 transfer balances from ledger accounts, a list of balances or written data into the correct debit or credit columns of the initial trial balance</p> <p>6.1.6 correct errors that are not shown by the initial trial balance</p> <p>6.1.7 correct errors that are shown by the initial trial balance by the use and clearing of the suspense account.</p>
<b>6.2</b>	<b>Prepare an adjusted trial balance</b>	
	<p>Learners need to understand:</p> <p>6.2.1 that accounting software automatically recalculates balances after adjustments.</p>	<p>Learners need to be able to:</p> <p>6.2.2 place the following adjustments correctly into the adjustments columns of the adjusted trial balance so that it balances:</p> <ul style="list-style-type: none"> <li>- closing inventory</li> <li>- accruals of income or expenses</li> <li>- prepayments of income or expenses</li> <li>- corrections of errors</li> <li>- depreciation</li> <li>- irrecoverable debts</li> <li>- allowances for doubtful receivables</li> <li>- disposals of NCA including part-exchange.</li> </ul>

<b>6.3</b>	<b>Complete the extended trial balance (ETB)</b>	
	<p>Learners need to understand:</p> <p>6.3.1 the importance of the fully extended trial balance for the preparation of financial statements</p> <p>6.3.2 the difference between entries in the ETB for sole traders and partnerships.</p>	<p>Learners need to be able to:</p> <p>6.3.3 complete the SPL and SFP columns of the ETB, for sole traders, by extending figures:</p> <ul style="list-style-type: none"> <li>- from the ledger balances and adjustments columns of the adjusted trial balance</li> <li>- to the relevant SPL and SFP columns</li> </ul> <p>6.3.4 balance off the ETB, for sole traders, by calculating the profit/loss figure and entering it into the relevant SPL and SFP columns.</p> <p><b>Excluded:</b> completion of the ETB for partnerships.</p>

## 7. Produce financial statements for sole traders and partnerships

<b>7.1</b>	<b>Prepare financial statements for sole traders</b>	
	<p>Learners need to understand:</p> <p>7.1.1 the purpose of SPLs</p> <p>7.1.2 the purpose of SFPs</p> <p>7.1.3 how the financial statements are linked to the accounting equation</p> <p>7.1.4 how the SPL and SFP are related</p> <p>7.1.5 terminology:</p> <ul style="list-style-type: none"> <li>- sales revenue = sales – sales returns</li> <li>- net purchases = purchases – purchases returns + carriage inwards</li> <li>- cost of sales = opening inventory + net purchases – closing inventory.</li> </ul>	<p>Learners need to be able to:</p> <p>7.1.6 prepare SPLs</p> <p>7.1.7 prepare SFPs using the net assets presentation.</p>

<b>7.2</b>	<b>Opening and closing capital for sole traders</b>	
	Learners need to understand: 7.2.1 the reasons for movements in the capital balance during a period.	Learners need to be able to: 7.2.2 account for drawings of cash, goods and services, capital injections and profits or losses during a period in order to complete the capital account.
<b>7.3</b>	<b>Produce the SPL for partnerships</b>	
	Learners need to understand: 7.3.1 why the difference between the SPL for a partnership and for a sole trader is the appropriation account 7.3.2 the purpose and content of the partnership appropriation account 7.3.3 how the SPL is linked to the partnership appropriation account.	Learners need to be able to: 7.3.4 prepare an appropriation account: <ul style="list-style-type: none"> <li>- interest on capital (calculation not required)</li> <li>- interest on drawings (calculation not required)</li> <li>- salaries or commission paid to partners</li> </ul> 7.3.5 calculate each partner's share of any residual profit/loss according to the profit-sharing ratio 7.3.6 prepare a partnership's SPL.
<b>7.4</b>	<b>Produce the SFP for partnerships</b>	
	Learners need to understand: 7.4.1 why the difference between the SFP for a partnership and for a sole trader is the partners' capital and current accounts 7.4.2 the difference between the partners' current accounts and the appropriation account 7.4.3 the difference between the partners' current accounts and the partners' capital accounts.	Learners need to be able to: 7.4.4 account for drawings in the form of cash, goods or services 7.4.5 prepare partners' current accounts: <ul style="list-style-type: none"> <li>- interest on capital (calculation not required)</li> <li>- interest on drawings (calculation not required)</li> <li>- salaries or commission paid to partners</li> <li>- drawings</li> </ul> 7.4.6 prepare a partnership's SFP using the net assets presentation.

<b>8. Interpret financial statements using profitability ratios</b>	
<b>8.1</b>	<p><b>Calculate profitability ratios</b></p> <p>Learners need to understand:</p> <p>8.1.1 the relationship between the SPL and SFP regarding net profit</p> <p>8.1.2 the link between gross profit margin and mark-up</p> <p>8.1.3 the meaning of profitability ratios.</p>
	<p>Learners need to be able to:</p> <p>8.1.4 calculate the following profitability ratios to assist with interpretation of the financial statements:</p> <ul style="list-style-type: none"> <li>- ROCE (return on capital employed): formula used = <math>\frac{\text{profit for the year}}{\text{capital employed}} \times 100</math> (where capital employed = capital + non-current liabilities)</li> <li>- gross profit margin: formula used = <math>\frac{\text{gross profit}}{\text{sales revenue}} \times 100</math></li> <li>- net profit margin: formula used = <math>\frac{\text{profit for the year}}{\text{sales revenue}} \times 100</math></li> <li>- expense / sales revenue percentage (specified expense including cost of sales as a % of sales revenue): formula used = <math>\frac{\text{specified expense}}{\text{sales revenue}} \times 100</math>.</li> </ul>
<b>8.2</b>	<p><b>The interpretation of profitability ratios</b></p> <p>Learners need to understand:</p> <p>8.2.1 why calculating ratios can aid planning, decision making and control for businesses</p> <p>8.2.2 factors that may cause changes in a business's ratios and differences between businesses' ratios</p> <p>8.2.3 whether a ratio is better or worse than a comparative ratio; comparisons can be made with:</p> <ul style="list-style-type: none"> <li>- a different organisation</li> <li>- a different time period or</li> <li>- an industry standard</li> </ul> <p>8.2.4 the importance of professional scepticism to the interpretation of financial information.</p>

<b>9. Prepare accounting records from incomplete information</b>					
<b>9.1</b>	<p><b>Identify missing figures</b></p> <p>Learners need to be able to:</p> <p>9.1.1 calculate missing figures relating to income, expenses, assets, liabilities and capital by:</p> <ul style="list-style-type: none"> <li>- selecting relevant data</li> <li>- using daybooks</li> <li>- using the cash book</li> <li>- reconstructing ledger accounts: receivables and payables ledger control accounts, VAT control account and the bank account</li> <li>- calculating and labelling the missing figures of reconstructed accounts</li> <li>- calculating opening and closing balances</li> <li>- adjusting for VAT.</li> </ul>				
<b>9.2</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="background-color: #d3d3d3;"><b>Mark-up and margin</b></th> </tr> </thead> <tbody> <tr> <td style="width: 50%; vertical-align: top;"> <p>Learners need to understand:</p> <p>9.2.1 the difference between margin and mark-up.</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Learners need to be able to:</p> <p>9.2.2 calculate margin and mark-up to determine missing figures</p> <p>9.2.3 use cost of sales calculations to determine missing figures.</p> </td> </tr> </tbody> </table>	<b>Mark-up and margin</b>		<p>Learners need to understand:</p> <p>9.2.1 the difference between margin and mark-up.</p>	<p>Learners need to be able to:</p> <p>9.2.2 calculate margin and mark-up to determine missing figures</p> <p>9.2.3 use cost of sales calculations to determine missing figures.</p>
<b>Mark-up and margin</b>					
<p>Learners need to understand:</p> <p>9.2.1 the difference between margin and mark-up.</p>	<p>Learners need to be able to:</p> <p>9.2.2 calculate margin and mark-up to determine missing figures</p> <p>9.2.3 use cost of sales calculations to determine missing figures.</p>				
<b>9.3</b>	<p><b>Reasonableness of figures when information is incomplete</b></p> <p>Learners need to understand:</p> <p>9.3.1 whether a given figure is reasonable</p> <p>9.3.2 why an actual balance and a calculated balance can be different</p> <p>9.3.3 the importance of checking information produced by accounting software for accuracy</p> <p>9.3.4 when and how to apply professional scepticism.</p>				

## Delivering this unit

When delivering the accounting principles underlying final accounts preparation, different scenarios about what might happen if there were no accounting rules could be explored. Tutors could use online videos detailing accounting scandals to highlight the repercussions if the rules are not followed. Students could be encouraged to read articles detailing current events involving accounting, either from news sources or journals. Students could also evaluate financial information in terms of the qualitative characteristics of useful information.

In relation to the principles of advanced double-entry bookkeeping, the accounting equation is at the heart of bookkeeping. Students could be encouraged to list items they would purchase when setting up a new venture, including buildings, fixtures and fittings. The effect of each these on the accounting equation could be tracked, leading to a discussion about double-entry. In order to understand the links between different aspects of bookkeeping, training providers could acquire or produce invoices and credit notes and use these to populate daybooks and the ledger accounts. This would lead to a simple trial balance. Tutors could demonstrate how invoices and credit notes are entered into accounting software and how these update the trial balance, in contrast to the manual system which uses daybooks. Bank reconciliations can be taught using students' personal experience of looking at their bank statement. A discussion as to why the bank statement shows a credit balance when there is money in the account is a good way of enforcing the difference between assets and liabilities.

Implementing procedures for the acquisition and disposal of non-current assets could be taught through the use of case studies, based on actual cases where non-current assets have been acquired or disposed of.

When preparing and recording depreciation calculations, students could be tasked with researching prices of an assets, such as cars that are the same model but different ages. The effect of methods of depreciation on profit and asset values could then be demonstrated. By preparing accounts over the lifetime of an asset, both writing it off in the year of purchases and then depreciating it, students could discover the effect of depreciation in giving a true and fair view of the state of the organisation.

Accruals and prepayments could be illustrated with simulated invoices by reference to real examples within the training provider or employer. To support delivery of recording period end adjustments, a local employer could be invited to talk about inventory and how it is tracked and valued. They could be asked to set questions based on real-life examples of how their inventory is managed. This could be supplemented by practical examples of situations where the NRV of the inventory falls to below the cost, for example if inventory is damaged or, in the case of perishable goods, gets towards its sell-by date.

When preparing an initial trial balance, error correction could be demonstrated practically by making the errors and looking at the effect on the trial balance using spreadsheets. Errors could then be corrected and the effect of correcting the error could be investigated in the same way. A demonstration of the types of errors that could be made on accounting software as opposed to a manual system could also take place as part of this learning outcome.

Students could research some real partnerships online, such as large accounting companies, and look at the final accounts, particularly the SFP. Representatives from local partnerships, such as accountancy firms, could also talk through the format of their accounts. Students could research the ethics statements which organisations include in their final accounts or publish elsewhere.

When interpreting financial statements, students could study simplified accounts and be asked to judge which one to invest in in terms of profitability, prior to calculating the ratios. Following the study of profitability ratios, this exercise could be repeated and students asked to judge again. A comparison could be made with their previous decision. Using well-known organisations, a comparison could also be made of these ratios over time, with students invited to suggest reasons for the changes in the ratio. Students could be asked to discuss what other factors should be used when comparing organisations

### **Links with other units**

This unit links with:

- Level 2 Introduction to Bookkeeping
- Level 2 Principles of Bookkeeping Controls
- Level 3 Tax Processes for Businesses
- Level 4 Drafting and Interpreting Financial Statements.



## Test specification for Financial Accounting: Preparing Financial Statements unit assessment

Please refer to the latest Qualification Technical Information (QTI) for specific legislation that will apply to assessments. Details can be accessed at [aat.org.uk/training/qualifications/2022/resources](https://aat.org.uk/training/qualifications/2022/resources)

Assessment method	Marking type	Duration of assessment
Computer based assessment	Computer marked	2 hours 30 minutes

Learning outcomes	Weighting
1. Understand the accounting principles underlying final accounts preparation	5%
2. Understand the principles of advanced double-entry bookkeeping	10%
3. Implement procedures for the acquisition and disposal of non-current assets	10%
4. Prepare and record depreciation calculations	10%
5. Record period end adjustments	10%
6. Produce and extend the trial balance	15%
7. Produce financial statements for sole traders and partnerships	20%
8. Interpret financial statements using profitability ratios	10%
9. Prepare accounting records from incomplete information	10%
Total	100%

# Tax Processes for Businesses

Unit level	GLH value	Unit reference number	Assessment
3	60	Y/618/3581	Unit assessment

## Introduction

This unit explores tax processes that influence the daily operations of businesses and is designed to develop students' skills in understanding, preparing, and submitting Value Added Tax (VAT) returns to HM Revenue and Customs (HMRC). The unit provides students with the knowledge and skills that are needed to keep businesses, employers and clients compliant with laws and practices that apply to VAT and payroll. Students will learn about legislation and the importance of maintaining their technical knowledge through monitoring updates.

For VAT, students will understand the registration and deregistration rules, including signing up for Making Tax Digital (MTD), and the rules relating to specialist VAT schemes. Students will be able to recognise different types of supplies and calculate VAT correctly, understanding the importance of the rules relating to the recovery of input VAT and the sanctions and penalties for inaccuracies, omissions and failure to make submissions and payments within the correct timescales. Students will be able to verify the accuracy of calculations, invoices and tax points, and will learn about the correction of errors. When learning about the content of the VAT return, students will understand how to apply special rules when goods and services are imported and exported out of the UK and the European Union (EU), and how to extract the appropriate data to complete VAT returns.

In relation to payroll, students will understand the processes for businesses involved in calculating pay and deductions and the content of documents and reports produced on software, along with the timescales for submission and payment.

The application of ethical principles is threaded throughout this unit. All work must be carried out with integrity, objectivity and a high degree of professional competence. There must be due care with regards to confidentiality about any personal data being processed and, from a business protection aspect, with the correct approach to professional behaviour. Students will understand how to communicate VAT and payroll matters to relevant individuals and organisations.

## Learning outcomes

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1. Understand legislation requirements relating to VAT
  2. Calculate VAT
  3. Review and verify VAT returns
  4. Understand principles of payroll
  5. Report information within the organisation
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## 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.

<b>1. Understand legislation requirements relating to VAT</b>	
<b>1.1</b>	<b>UK tax law principles relating to VAT</b>  Learners need to understand:  1.1.1 that HMRC is the relevant tax authority for VAT in the UK  1.1.2 that VAT is a tax on consumer spending, charged on taxable supplies by taxable persons, including whether the tax charged falls on registered businesses or the end user  1.1.3 HMRC's rights in respect of inspection of records and visits to registered businesses  1.1.4 HMRC's rules about: <ul style="list-style-type: none"><li>- what records should be kept</li><li>- electronic invoicing</li><li>- authorised accounting software</li><li>- how long VAT records should be retained</li><li>- how VAT records should be retained</li><li>- electronic filing and digital tax return submission, i.e. MTD.</li></ul>
<b>1.2</b>	<b>VAT registration and deregistration requirements</b>  Learners need to understand:  1.2.1 the registration and deregistration thresholds for the normal VAT scheme and how to apply them  1.2.2 the definitions of: <ul style="list-style-type: none"><li>- taxable supplies</li><li>- standard-rated supplies</li><li>- reduced-rated supplies</li><li>- zero-rated supplies</li><li>- exempt supplies</li><li>- supplies outside the scope of VAT</li></ul>

	<p>1.2.3 what is meant by the historic turnover method and the future turnover method, and how to comply with them in respect of registration</p> <p>1.2.4 the circumstances:</p> <ul style="list-style-type: none"> <li>- in which voluntary registration may be beneficial to the business</li> <li>- for voluntary and compulsory deregistration.</li> </ul>
<b>1.3</b>	<p><b>Filing and payment of VAT returns</b></p> <p>Learners need to understand:</p> <p>1.3.1 the timing and frequency of:</p> <ul style="list-style-type: none"> <li>- filing VAT returns under the normal scheme</li> <li>- payment/re-payment of VAT under the normal scheme</li> </ul> <p>1.3.2 the circumstances in which monthly accounting may be beneficial to the business</p> <p>1.3.3 the process for signing up for MTD</p> <p>1.3.4 the impact of MTD on the choice of accounting systems.</p>
<b>1.4</b>	<p><b>Special schemes</b></p> <p>Learners need to understand:</p> <p>1.4.1 the thresholds and qualification criteria for the special VAT schemes:</p> <ul style="list-style-type: none"> <li>- annual accounting schemes</li> <li>- cash accounting schemes</li> <li>- flat rate scheme</li> </ul> <p>1.4.2 the timing and frequency of:</p> <ul style="list-style-type: none"> <li>- filing VAT returns</li> <li>- payment/re-payment of VAT</li> </ul> <p>1.4.3 the circumstances for voluntary and compulsory withdrawal from special schemes.</p>

<b>1.5</b>	<p><b>Implications for non-compliance with VAT regulations</b></p> <p>Learners need to understand:</p> <p>1.5.1 the powers of HMRC to penalise a business that has failed to register for VAT</p> <p>1.5.2 the details of the penalty regime applicable to non-registration or late registration</p> <p>1.5.3 the consequences of late submission and non-submission of VAT returns</p> <p>1.5.4 how the surcharge regime applies to late submission or non-submission of VAT returns</p> <p>1.5.5 the powers of assessment that HMRC has in respect of failure to submit VAT returns</p> <p>1.5.6 the consequences of late payment or non-payment of VAT due</p> <p>1.5.7 the details of the penalty regime applicable to late or non-payment of VAT due</p> <p>1.5.8 the consequences of failing to:</p> <ul style="list-style-type: none"> <li>- correct errors properly</li> <li>- report an error when required to do so</li> </ul> <p>1.5.9 the operational and legal consequences of incorrect recovery of VAT.</p>
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<b>2. Calculate VAT</b>	
<b>2.1</b>	<p><b>Extracting relevant data from accounting records</b></p> <p>Learners need to understand:</p> <p>2.1.1 relevant sources of VAT information needed by a business</p> <p>2.1.2 how to identify relevant accounting records that cover the required period of each VAT return</p> <p>2.1.3 how to identify and extract relevant revenue, expenditure and VAT figures from the accounting records</p> <p>2.1.4 how to validate data and determine that the figures extracted have come from original and verified source documents</p> <p>2.1.5 the benefits of accounting software in identifying errors, e.g. incorrect VAT rate.</p>

**2.2****VAT invoices**

Learners need to understand:

2.2.1 the contents and form of a VAT invoice:

- simplified VAT invoices
- modified VAT invoices
- e-invoicing requirements
- mixed-rated supplies

2.2.2 how to determine the tax point of an invoice, both basic and actual, when there are:

- advance payments
- deposits
- continuous supplies
- goods on sale or return

2.2.3 the significance of the correct tax point for:

- eligibility for special VAT schemes
- applying the correct rate of VAT
- determining the correct VAT period

2.2.4 the time limits for issuing VAT invoices:

- 14-day rules
- 30-day rules

2.2.5 how to invoice VAT in circumstances where the reverse charges are applicable, including under the Construction Industry Scheme.

2.3	VAT calculations	
	<p>Learners need to understand:</p> <p>2.3.1 the difference between inputs and outputs, and between input tax and output tax</p> <p>2.3.2 the automation of calculations through use of accounting software</p> <p>2.3.3 rounding rules on VAT calculations</p> <p>2.3.4 rules for VAT when prompt payment discounts (PPD) are offered to customers</p> <p>2.3.5 the different implications of exempt supplies and of zero-rated supplies, and the effect on recovery of input tax</p> <p>2.3.6 how partial exemption works, the de-minimis limit and how this affects the recovery of input tax</p> <p>2.3.7 the identification of what cannot be claimed as input VAT:</p> <ul style="list-style-type: none"> <li>- expenditure on employee and business contact entertaining, including that of mixed groups</li> <li>- purchases and sales of cars and vans</li> <li>- assets with private use</li> </ul> <p>2.3.8 the VAT rules on fuel scale charges, how to apply them and their effect on the VAT payable or reclaimable</p> <p>2.3.9 how to apply bad debt relief, when this is available and what time limits apply</p>	<p>Learners need to be able to:</p> <p>2.3.11 calculate VAT on:</p> <ul style="list-style-type: none"> <li>- standard-rated supplies</li> <li>- reduced-rated supplies</li> </ul> <p>2.3.12 calculate VAT when given the net or the gross amount of the supply</p> <p>2.3.13 calculate the VAT payable/repayable for a VAT period from information such as:</p> <ul style="list-style-type: none"> <li>- sales and purchases invoices</li> <li>- credit notes issued and received</li> <li>- cash and petty cash transaction receipts</li> <li>- deposits, advance payments and delayed payments</li> <li>- adjustments made for: <ul style="list-style-type: none"> <li>▪ fuel scale charges</li> <li>▪ bad debts</li> <li>▪ input VAT that cannot be claimed</li> </ul> </li> </ul> <p>2.3.14 recognise errors and omissions made in previous returns</p> <p>2.3.15 calculate the impact on VAT of:</p> <ul style="list-style-type: none"> <li>- PPD</li> <li>- fuel scale charges</li> <li>- bad debts</li> <li>- items on which input VAT cannot be reclaimed</li> </ul> <p>2.3.16 calculate VAT for international trade:</p> <ul style="list-style-type: none"> <li>- imports</li> <li>- exports.</li> </ul>



	2.3.10 how to account for postponed import VAT.	
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3. Review and verify VAT returns		
3.1	<b>Make adjustments for errors or omissions in VAT returns</b>	
	<p>Learners need to understand:</p> <p>3.1.1 if previous period errors or omissions can be corrected by amendments on current VAT returns</p> <p>3.1.2 the thresholds and deadlines where previous period errors or omissions must be declared, including the timescales during which corrections can be made</p> <p>3.1.3 when previous period errors or omissions must be separately reported rather than corrected on current VAT returns</p> <p>3.1.4 when to report given previous period errors or omissions that cannot be corrected on current VAT returns.</p>	<p>Learners will be able to:</p> <p>3.1.5 process the appropriate adjustments for given previous period errors</p> <p>3.1.6 recognise the impact that the adjustments for previous period errors will have on VAT.</p>
3.2	<b>Verify information contained within VAT returns</b>	
	<p>Learners need to understand:</p> <p>3.2.1 what is included in all relevant boxes of the VAT return</p> <p>3.2.2 how imports and exports are treated on a VAT return</p> <p>3.2.3 the importance of reconciling the VAT return to accounting records</p> <p>3.2.4 how to identify reasons for any given differences</p>	<p>Learners need to be able to:</p> <p>3.2.7 review VAT returns from accounting information</p> <p>3.2.8 reconcile the VAT return to accounting records.</p>

	<p>between the VAT return and the VAT control account</p> <p>3.2.5 how statutory time limits for making payment differ depending on the payment method used</p> <p>3.2.6 that compatible or bridging software must be used and authorised for submitting VAT returns under MTD.</p>	
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#### 4. Understand principles of payroll

##### 4.1 Employer responsibilities of payroll

Learners need to understand:

- 4.1.1 that payroll is operated by businesses or individuals who employ staff
- 4.1.2 that HMRC is the relevant tax authority for payroll
- 4.1.3 HMRC's powers to require businesses to comply with:
  - regulations about registration
  - record keeping
  - submissions of returns
  - payment of amounts due
- 4.1.4 HMRC's rights in respect of inspection of records and visits
- 4.1.5 HMRC's rules about:
  - what records should be kept
  - software
  - how payroll records should be retained
  - how long payroll records should be retained
- 4.1.6 the difference between gross pay, taxable pay and net pay
- 4.1.7 that businesses are required to make statutory deductions from gross pay:
  - Pay As You Earn (PAYE)
  - National Insurance Contributions (NICs)
  - student loans
  - pensions
- 4.1.8 that businesses may be required to make non-statutory deductions from gross pay

	<p>4.1.9 when businesses or individuals are required to register as an employer</p> <p>4.1.10 that employers are entitled to deduct statutory and other deductions from employees' pay</p> <p>4.1.11 the data protection principles specifically related to the personal data of employees.</p>
<b>4.2</b>	<p><b>Operating payroll</b></p> <p>Learners need to understand:</p> <p>4.2.1 the outline content of forms produced for payroll:</p> <ul style="list-style-type: none"> <li>- payslips</li> <li>- P45s</li> <li>- P60s</li> <li>- P11Ds</li> </ul> <p>4.2.2 that employers must produce and distribute forms to employees within the required time period</p> <p>4.2.3 that payroll reports must be submitted to HMRC by employers in real time (RTI)</p> <p>4.2.4 the content of full payment submissions (FPS) and the employer payment summary (EPS) reports submitted under RTI</p> <p>4.2.5 that employers must report to HMRC employee payments and employee changes within the required timescale</p> <p>4.2.6 the statutory time limits for submitting payroll returns and making payment to HMRC</p> <p>4.2.7 the consequences of late filing and/or payment.</p>

## 5. Report information within the organisation

### 5.1

#### Communicating information on VAT and payroll related matters

Learners need to understand:

- 5.1.1 who to report relevant information to
- 5.1.2 when a query is beyond current experience or expertise and so should be referred to a line manager
- 5.1.3 the significant effect on cash flows and cash budgeting of the requirements to make payments on time to HMRC.

Learners need to be able to:

- 5.1.4 communicate the appropriate time limits for submitting returns and making payments to appropriate persons
- 5.1.5 communicate the effects of new legislation to the appropriate person
- 5.1.6 provide appropriate information for VAT:
  - the completion of the VAT return
  - the discovery of current and previous period errors and omissions
  - determining whether to correct or disclose errors and omissions
  - penalties, surcharges and assessments
  - the effects of a change in VAT rate or other regulatory changes
  - the effect on VAT of a change in business operations
  - effects of adopting special VAT schemes on payment or recovery of VAT
- 5.1.7 provide appropriate information for payroll:
  - the completion of payroll reports
  - penalties
  - the effects of regulatory changes.

<b>5.2</b>	<b>Legislation, regulation, guidance and codes of practice</b>
	Learners need to understand:
	5.2.1 where to find information regarding changes to VAT and payroll law and practice
	5.2.2 the importance of seeking authorisation before returns are submitted
	5.2.3 the relevance of data protection, information security and confidentiality to VAT and payroll practice
	5.2.4 the importance of maintaining up to date and relevant knowledge
	5.2.5 the importance of ethical behaviour in relation to VAT and payroll
	5.2.6 the importance of updating any accounting software regarding changes to VAT and payroll legislation
	5.2.7 the importance of acting in good faith and exercising care in relation to facts or information presented on behalf of clients or employers when dealing with HMRC, according to the <i>AAT Code of Professional Ethics</i> .

### Delivering this unit

To deliver this unit effectively, tutors must have up to date knowledge of the areas of tax covered and how processes may be automated using accounting software. Although the use of specific accounting software is not covered in this unit, having an understanding and using examples of the types of reports produced by different accounting systems and for different types of businesses would be helpful, along with the differences associated with special schemes, such as the annual, flat rate and cash accounting schemes.

An emphasis should be placed on understanding the sources of data used to produce reports in accounting systems and confirming their accuracy by applying and understanding the rules and regulations of HMRC. Knowledge must be updated regularly, and the unit should be taught alongside the relevant extracts from the AAT Reference Material.

Wherever possible, students should be encouraged to have direct work experience in the preparation, completion and submission of VAT returns and payroll reports. The use of simulated activities based on real workplace scenarios would be helpful. Tutors should use examples of documents, such as invoices, receipts, payslips and P60s, to aid the understanding for students, whilst complying with confidentiality, security and data protection principles. Using examples of businesses who have carried out processes incorrectly, as well as those who have carried out processes in the correct way, will emphasise the penalty regimes and the importance of timely, accurate and complete reporting.

Tutors should illustrate the importance of budgeting and cash flow requirements when calculating VAT and payroll payments. This could be delivered alongside topic areas within Management Accounting Techniques.

### Links with other units

This unit links with the following units:

- Level 3 Business Awareness
- Level 3 Financial Accounting: Preparing Financial Statements
- Level 3 Management Accounting Techniques.

### Test specification for Tax Processes for Businesses unit assessment

Please refer to the latest Qualification Technical Information (QTI) for specific legislation that will apply to assessments. Details can be accessed at [aat.org.uk/training/qualifications/2022/resources](https://aat.org.uk/training/qualifications/2022/resources)

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

Learning outcomes	Weighting
1. Understand legislation requirements relating to VAT	25%
2. Calculate VAT	30%
3. Review and verify returns	20%
4. Understand principles of payroll	15%
5. Report information within the organisation	10%
Total	100%

## 12. Delivering AAT qualifications

### 12.1 Staff requirements

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

If a training provider wishes to claim recognition of prior learning (RPL) for a student, the staff must hold the relevant assessor and/or Internal Verifier (IV) qualifications.

For more information on assessing RPL and the role and qualifications required for assessors and/or IVs, please refer to the *AAT Code of practice for approved training providers* and *AAT Guidance for training providers* documents available through MyAAT at [aat.org.uk/support/quality-assurance/resources](https://aat.org.uk/support/quality-assurance/resources)

### 12.2 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](mailto: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](mailto: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.

### **12.3 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. If a centre has been delivering assessments using RPL, AAT may also ask for particular information and/or documents to be made available so that sampling can be carried out.

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 at [aat.org.uk/support/quality-assurance/resources](https://aat.org.uk/support/quality-assurance/resources)

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.

## 13. 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-aat/aat-equal-opportunities-policy](https://aat.org.uk/about-aat/aat-equal-opportunities-policy)

### 13.1 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 at [aat.org.uk/assessment/adjustments-and-considerations](https://aat.org.uk/assessment/adjustments-and-considerations)

### **13.2 Special considerations**

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 at [aat.org.uk/assessment/adjustments-and-considerations](https://aat.org.uk/assessment/adjustments-and-considerations)

## 14. Support for training providers

### 14.1 Centre Support team

The Centre 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: [centre.support@aat.org.uk](mailto:centre.support@aat.org.uk)

### 14.2 Regional Account Manager (RAM)

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.

### 14.3 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.

### 14.4 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 workshops

- guest speaker sessions
- the opportunity to learn about new developments directly from AAT.

### **Network meetings**

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.

## **14.5 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.

## **14.6 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 tutor support materials can be found on the [Lifelong Learning Portal](#).

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