

The AAT logo is rendered in a bold, lowercase, green sans-serif font. The background of the entire page features a pattern of white dots of varying sizes, with some dots connected by thin white lines, creating a sense of depth and movement, particularly in the lower half of the page.

aat

Qualification Number: R683 04
Qualification Specification
Version 5.0 published March 2024

Certificate in
ACCOUNTING

AT SCQF LEVEL 6

AAT is a registered charity. No. 1050724.

Updates to this specification

Since first publication of the Level 6 Certificate in Accounting, the following areas of the qualification specification have been updated.

Version	Date first published	What has been updated
Version 4.0	8 March 2024	Section 5: (Update to RPL statement)
Version 3.0	January 9 2023	Section 11: Units (clarification to The Business Environment LO4.1, 4.3)
Version 2.1	10 June 2022	Final version published
Version 2.0	28 January 2022	Qualification go-live date Qualification technical information – see updated Level 2 document (PDF) Section 5.5 / 6.1: Inclusion of dedicated webpage to the RPL and exemptions policy
Version 1.0	24 September 2021	First publication

This qualification is approved and regulated by SQA Accreditation.

This qualification applies only to students registered with AAT from **1 September 2022**.

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1. About AAT

AAT works across the globe with around 130,000 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.

AAT members are ambitious, focused accounting professionals. Many of our members occupy senior, well rewarded positions with thousands of employers – from blue-chip corporate giants to public sector institutions.

AAT qualifications are universally respected and internationally recognised. Organisations hire AAT qualified members for their knowledge, skills, diligence and enthusiasm because AAT represents the highest standards of professionalism.

In short, an AAT qualification is a route to some of the most in-demand skills in the world and provides our students and members with a professional status to be proud of.

[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 6 Certificate in Accounting are able to register online at <https://www.aat.org.uk/registration/register-with-aat>

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

Find out more about the benefits of registering with AAT

4. Choosing to study the AAT Certificate in Accounting at SCQF Level 6

4.1 Who should choose to study this qualification?

The Level 6 Certificate in Accounting is ideal for anyone wishing to study accountancy and finance alongside a range of complementary business and personal skills.

The purpose of the Level 6 Certificate in Accounting is to offer the foundation accounting knowledge needed to progress to employment or further study in accountancy and finance, alongside business and personal skills that are transferable to any sector and additional business knowledge relevant to accountancy. The qualification offers a broader focus across several subject areas which enhances employability and is particularly suitable for young people studying full-time.

4.2 Why choose this qualification?

Students should choose the Level 6 Certificate in Accounting if they're interested in developing transferable business and personal skills alongside their core accountancy skills. This qualification may also be valuable for those entering the workplace for the first time or for those changing careers who would like additional support in upskilling to enter, or re-enter, a business environment.

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're 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 Level 6 Certificate in Accounting covers a broad range of core accounting skills, as well as accountancy-related business skills and personal skills. **Key themes** have also been introduced throughout the suite of accounting qualifications, including technology, ethics, sustainability and communication.

This qualification comprises four mandatory units (255 guided learning hours in total):

- Introduction to Bookkeeping
- Principles of Bookkeeping Controls
- Principles of Costing
- The Business Environment.

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

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

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

Three units are assessed individually in end-of-unit assessments. This qualification also includes a synoptic assessment that draws on and assesses knowledge and understanding from across a number of units.

4.4 What will this qualification lead to?

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

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

Skills developed through this qualification could lead to employment as:

- an Accounts Administrator
- an Accounts Assistant
- an Accounts Payable Clerk
- a Purchase/Sales Ledger Clerk
- a Trainee Accounting Technician
- a Trainee Finance Assistant.

The accountancy and finance knowledge developed in this qualification is also the underpinning knowledge needed for the higher-level accountancy and financial skills developed in the Level 7 Diploma in Accounting and the Level 8 Diploma in Professional Accounting. For example, double-entry bookkeeping at Level 6 is the basis for Financial Accounting: Preparing Financial Statements (Level 7), which leads on to Drafting and Interpreting Financial Statements (Level 8).

4.5 Is this part of an apprenticeship?

The Level 6 Certificate in Accounting is included as a recognised qualification for students to demonstrate competence as part of the Modern Apprenticeship.

AAT understands that not everyone can access an apprenticeship. In these cases, there are compelling reasons to choose to take this high-quality qualification, which is valued because of its track record of delivering successful employment outcomes outside of the apprenticeship. AAT has many examples of unemployed and career-change students of all ages who have gained employment directly as a result of achieving this qualification.

5. About the AAT Level 6 Certificate in Accounting

Qualification name	AAT Level 6 Certificate in Accounting
Qualification number	R683 04
Level	6
Guided learning hours (GLH)	255
SCQF Credits	34

5.1 Guided learning hours (GLH) value

The total GLH value for the Level 6 Certificate in Accounting is 255 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 6 Certificate in Accounting is 340 hours.

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

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

5.3 Are there any prerequisites for this qualification?

AAT does not set any entry requirements for this qualification.

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

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.

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 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 the Level 6 Certificate in Accounting, RPL is only available for some unit assessments [from September 2024](#). 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.

It is not possible to claim RPL for the synoptic assessment. This assessment must be completed and passed in order for the student to be awarded this qualification. More details on RPL can be found in the [AQ2016 to Q2022 Transitional Arrangements](#) (PDF) document at 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

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.

There are restrictions on how many exemptions are allowed within each qualification. Fees will be charged for exemptions. For this qualification, no exemption can be claimed for the synoptic assessment or for units that are assessed only via the synoptic assessment. 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 and the dedicated exemptions and RPL webpage at aat.org.uk/qualifications-and-courses/exemptions-recognition-prior-learning

6.2 Exemptions from chartered accountancy bodies

For students who wish to become chartered accountants, the study of AAT qualifications may also offer exemptions from the exams required by a range of chartered accountancy bodies. Full details on exemptions from chartered accountancy bodies can be found at aat.org.uk/aat-qualifications-and-courses/get-chartered

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 the assessment of this qualification includes reviewing and editing the synoptic assessments and scenarios used to ensure that they reflect realistic working practices and environments.

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:

- practice assessments for each unit
- one Sample Assessment and Mark Scheme (Introduction to Bookkeeping)
- 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 three mandatory unit assessments and one synoptic assessment 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 for the synoptic assessment, which is available during specific periods throughout the year, as set and communicated by AAT.

Students should only be scheduled for the synoptic assessment once all other required units that contribute to the synoptic assessment have been scheduled.

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 a time restriction. 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 making entries in a journal. In the synoptic assessment, some tasks will require written extended responses. 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 may be either:

- wholly computer marked
- partially computer marked and partially human marked.

Computer marking is completed within the assessment software in accordance with an objective marking scheme devised during assessment development. Human marking is conducted by a team of markers, with appropriate subject matter knowledge, who are appointed by AAT. Markers use mark schemes devised during assessment development.

Assessments undergo regular quality assurance, which includes:

- standardisation of markers
- sampling for marking consistency
- review of borderline scripts.

9.6 Results

Results for computer marked assessments are made available via MyAAT within 24 hours of submitting the assessment. Results for the synoptic assessment will be made available within six weeks of the last day of the synoptic window.

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.

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 and the synoptic assessment.

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.

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

Example of Pass

Assessment	Contribution of assessment to qualification grade	Percentage achieved	Weighted percentage contribution to grade
Introduction to Bookkeeping	25%	76%	19%
Principles of Bookkeeping Controls	25%	72%	18%
Principles of Costing	20%	81%	16.2%
The Business Environment Synoptic assessment	30%	77%	23.1%
Total			76*%

*has been rounded to nearest whole number

Example of Merit

Assessment	Contribution of assessment to qualification grade	Percentage achieved	Weighted percentage contribution to grade
Introduction to Bookkeeping	25%	86%	21.5%
Principles of Bookkeeping Controls	25%	81%	20.3%
Principles of Costing	20%	75%	15%
The Business Environment Synoptic assessment	30%	91%	27.3%
Total			84%*

*has been rounded to nearest whole number

Example of Distinction

Assessment	Contribution of assessment to qualification grade	Percentage achieved	Weighted percentage contribution to grade
Introduction to Bookkeeping	25%	87%	21.8%
Principles of Bookkeeping Controls	25%	92%	23%
Principles of Costing	20%	98%	19.6%
The Business Environment Synoptic assessment	30%	86%	25.8%
Total			90%*

*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

Pass	Merit	Distinction
Demonstrates some knowledge of the purpose, roles and responsibilities of a finance function and the legal context in which it operates.	Demonstrates good knowledge of the purpose, roles and responsibilities of a finance function and the legal context in which it operates. Understands the impact of the individual, and of a finance team, on business operations.	Demonstrates sound knowledge of the purpose, roles and responsibilities of a finance function and the legal context in which it operates. Considers in detail the impact of individuals, and of a finance team, on business operations.
Processes a range of accounting transactions and understands the automation of transactions through use of accounting software. Extracts relevant costing information and has a basic understanding of how this information can be used to compare performance against budget.	Processes a range of accounting transactions with a high level of accuracy and understands the automation of transactions through use of accounting software. Extracts and combines relevant costing information and has a good understanding of how this information can be used to compare performance against budget.	Processes a wide range of accounting transactions with a high level of accuracy and understands the automation of transactions through use of accounting software. Extracts and combines relevant costing information and has a thorough understanding of how this information can be used to compare performance against budget.
Prepares and reconciles ledgers and accounts, making necessary adjustments.	Prepares and reconciles ledgers and a range of accounts, making necessary adjustments with a good level of accuracy.	Prepares and reconciles ledgers and a wide range of accounts, making necessary adjustments with a high level of accuracy.
Performs a range of calculations for financial and management accounting purposes.	Performs a range of calculations for financial and management accounting purposes with a good level of accuracy.	Performs a wide range of calculations for financial and management accounting purposes with a high level of accuracy, interpreting findings where relevant.

Produces accurate information in written and/or numerical form that has a structure and uses appropriate business language.

Produces accurate information in written and/or numerical form that is well-structured and uses appropriate and effective business language.

Produces accurate information in written and/or numerical form that is well-structured, uses appropriate and effective business language, and considers the needs of the recipient.

11. Units

All units in this qualification comply with the requirements set out in the Conditions of Recognition published by the regulator in Scotland 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 Scotland. There are 12 levels of achievement, from Level 1 to Level 12. All units in this qualification are Level 6.

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

Units may be assessed by:

- unit assessment only
- unit assessment and as part of the synoptic assessment
- synoptic assessment only.

Unit reference number

This number is set by SQA, the independent qualifications regulator for Scotland, and is unique to the unit.

Introduction

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

Learning outcomes

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

Scope of content

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

Content structure

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

Relationship between content and assessment

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

Delivering this unit

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

Test specification for unit assessment

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

Where a unit is not assessed by a separate unit assessment and is only assessed in the synoptic assessment, there will be no unit test specification included in the unit.

Introduction to Bookkeeping

Unit level	GLH value	Unit reference number	Assessment
6	65	UP42 04 8 SCQF Credits	Unit and synoptic assessments

Introduction

This unit provides students with an understanding of manual and digital bookkeeping systems, including the associated documents and processes. Students will learn the basic principles that underpin the double-entry bookkeeping system and will learn that digital accounting systems are automating some of the stages in the process.

Students will learn how to check the accuracy of invoices, credit notes, remittance advices, statements of account and petty cash vouchers. They will know how to use these documents to make entries in sales and purchases daybooks, sales and purchases returns daybooks, and discounts allowed and received daybooks using account codes, as well as how to transfer those totals to the sales, purchases and general ledgers. They will learn that entering these into a digital bookkeeping system is the same process as entering the transactions manually, although the way they are entered will vary from system to system.

The United Kingdom (UK) government department responsible for collecting taxes, HM Revenue & Customs (HMRC), offers more than one method of accounting treatment when prompt payment discount (PPD) is allowed and received. However, students at this level are only required to use credit notes to adjust for PPD. Using this approach, credit notes are recorded in separate daybooks, a discounts allowed and/or a discounts received daybook, which removes the need for discount columns in the cash book. There is no requirement at this level for students to understand how to account for PPD by any other method. This unit refers to value added tax or VAT. This is an indirect tax operating in the UK, but this type of tax may also operate and be known by another name in other countries.

The cash book and petty cash book are also covered in this unit, including making entries into both and transferring totals to the ledgers. Students will learn that entering transactions into the cash book of a digital bookkeeping system serves the same purpose as entering the transactions into a manual bookkeeping system. Students will make appropriate checks on the accuracy of supplier invoices and credit notes, reconcile supplier statements with the purchases ledger account and calculate payments due to suppliers. They will also calculate sales invoice and credit note amounts and check receipts from customers.

Students will have learnt all stages necessary to process transactions using both manual and digital systems. Reference to digital systems includes applications as well as both desktop and cloud accounting software.

Learning outcomes

1. Understand how to set up bookkeeping systems
 2. Process customer transactions
 3. Process supplier transactions
 4. Process receipts and payments
 5. Process transactions into the ledger accounts
-

Scope of content

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

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

1. Understand how to set up bookkeeping systems	
1.1	The purpose of business documents
	Learners need to understand:
	1.1.1 the purpose of business documents:
	<ul style="list-style-type: none">- petty cash voucher- invoice- credit note (including for PPD)- remittance advice- statement of account- bank statement.
1.2	The process of recording bookkeeping transactions
	Learners need to understand:
	1.2.1 the role of the books of prime entry:
	<ul style="list-style-type: none">- sales daybook- sales returns daybook- purchases daybook- purchases returns daybook- discounts allowed daybook- discounts received daybook
	1.2.2 the role of the cash book and petty cash book:
	<ul style="list-style-type: none">- as a book of prime entry only, or as a book of prime entry and part of the double-entry bookkeeping system
	1.2.3 the ledgers:
	<ul style="list-style-type: none">- receivables- payables- general
	1.2.4 the purpose of the trial balance
	1.2.5 the purpose of financial statements:
	<ul style="list-style-type: none">- statement of profit or loss- statement of financial position
	1.2.6 the importance of ensuring that bookkeeping transactions are entered accurately:
	<ul style="list-style-type: none">- the consequences of inaccurate entry in manual systems- the consequences of inaccurate entry in digital systems
	1.2.7 that digital systems can import transactions from a number of sources:
	<ul style="list-style-type: none">- bank records- csv files

	<ul style="list-style-type: none"> - third party software <p>1.2.8 the benefits and drawbacks of using digital bookkeeping systems:</p> <ul style="list-style-type: none"> - automatically balances the cash book - automatically completes the transfer of data from the books of prime entry to the ledgers - automatically completes the transfer of data into the control accounts - automatically reconciles the receivables and payables ledgers to their respective control accounts - automatically creates a trial balance from the general ledger accounts - processes recurring entries - saves time - reduces errors and omissions - makes duplication of automated and manual entries possible - can create errors when the amount or frequency of a recurring entry changes - automatically balances but doesn't mean the entries are automatically correct. 	
1.3	Create and use coding systems	
	<p>Learners need to understand:</p> <p>1.3.1 the different types of code:</p> <ul style="list-style-type: none"> - customer account - supplier account - product - general ledger <p>1.3.2 where to use codes:</p> <ul style="list-style-type: none"> - sales daybook - sales returns daybook - discounts allowed daybooks - purchases daybook - purchases returns daybook - discounts received daybook - receivables ledger - payables ledger. 	<p>Learners need to be able to:</p> <p>1.3.3 create codes:</p> <ul style="list-style-type: none"> - alphabetical - numerical - alphanumerical.
1.4	Set bookkeeping systems	
	<p>Learners need to know:</p> <p>1.4.1 the dual effect of transaction, i.e. debits and credits</p> <p>1.4.2 the accounting equation (calculation of assets, liabilities and capital).</p>	<p>Learners need to be able to:</p> <p>1.4.3 classify the following items:</p> <ul style="list-style-type: none"> - assets - liabilities - equity (capital) - income (revenue) - expenses (costs).

2. Process customer transactions

2.1 Calculate invoice and credit note amounts

Learners need to understand:

- 2.1.1 the documents to be used:
 - quotation
 - discount policy
 - customer order
 - delivery note
 - price list
- 2.1.2 the difference between discounts offered:
 - prompt payment discount (PPD)
 - trade discount
 - bulk discount
- 2.1.3 how discounts are shown on invoices:
 - PPD
 - trade discount
 - bulk discount
- 2.1.4 how to use credit notes to adjust for PPD and how PPD is recorded once taken:
 - discounts allowed daybook
 - customer account
 - receivables ledger control account
 - discounts allowed account
 - value added tax (VAT) account.

Learners need to be able to:

- 2.1.5 calculate invoice amounts:
 - item price
 - net
 - VAT
 - total
 - trade discount
 - bulk discount
- 2.1.6 calculate credit note amounts:
 - item price
 - net
 - VAT
 - total
 - trade
 - bulk
 - PPD.

2.2 Enter customer invoices and credit notes into books of prime entry

Learners need to know:

- 2.2.1 the books of prime entry:
 - sales daybook
 - sales returns daybook
 - discounts allowed daybook
- 2.2.2 the columns within books of prime entry:
 - customer name
 - customer account code
 - total
 - VAT
 - net
 - analysis (including product codes).

Learners need to be able to:

- 2.2.3 calculate amounts from:
 - net figures
 - total figures
- 2.2.4 make entries in books of prime entry
- 2.2.5 total columns in books of prime entry.

2.3 Process receipts from customers	
<p>Learners need to know:</p> <p>2.3.1 the records and documents to use:</p> <ul style="list-style-type: none"> - customer account - sales invoice - sales credit note - remittance advice - discount policy. 	<p>Learners need to be able to:</p> <p>2.3.2 identify discrepancies:</p> <ul style="list-style-type: none"> - underpayments - overpayments - incorrect discount taken - incorrect amounts - incorrect details - timing differences - missing transactions - duplicated transactions <p>2.3.3 calculate amounts due from customers including PPD</p> <p>2.3.4 allocate amounts correctly:</p> <ul style="list-style-type: none"> - in full payment - in part payment - against opening balances - against invoices - against credit notes.

3. Process supplier transactions	
3.1 Check the accuracy of supplier invoices and credit notes	
<p>Learners need to understand:</p> <p>3.1.1 the documents to use:</p> <ul style="list-style-type: none"> - quotations including discounts - purchase orders - goods received notes - delivery notes - goods returned notes <p>3.1.2 the difference between discounts offered:</p> <ul style="list-style-type: none"> - prompt payment - trade and bulk <p>3.1.3 how discounts are shown on invoices:</p> <ul style="list-style-type: none"> - prompt payment - trade and bulk <p>3.1.4 how to use credit notes to adjust for PPD and how PPD is recorded once taken:</p> <ul style="list-style-type: none"> - discounts received daybook - supplier account - payables ledger control account - discounts received account - value added tax (VAT) account. 	<p>Learners need to be able to:</p> <p>3.1.5 identify discrepancies that may be found:</p> <ul style="list-style-type: none"> - non-delivery of goods - incorrect type or quantity of goods - incorrect calculations - incorrect discounts (trade, bulk and prompt payment) - date and terms of payment.

3.2	Enter purchase supplier invoices and credit notes into books of prime entry	
Learners need to know: 3.2.1 the books of prime entry: <ul style="list-style-type: none"> - purchases daybook - purchases returns daybook - discounts received daybook 3.2.2 the columns within books of prime entry: <ul style="list-style-type: none"> - supplier name - supplier account code - total - VAT - net - analysis (including product code). 	Learners need to be able to: 3.2.3 calculate amounts from net and total figures 3.2.4 make entries in books of prime entry 3.2.5 total columns in books of prime entry.	
3.3	Process payments to suppliers	
Learners need to know: 3.3.1 the records and documents to use: <ul style="list-style-type: none"> - supplier account - invoices and credit notes (including discounts and VAT) - statement of account 3.3.2 the information to take into account: <ul style="list-style-type: none"> - agreed payment terms. 	Learners need to be able to: 3.3.3 identify discrepancies between the supplier's statement of account and the supplier account in the payables ledger: <ul style="list-style-type: none"> - underpayments - overpayments - incorrect discount taken - incorrect amounts - incorrect details - timing differences - missing transactions - duplicated transactions 3.3.4 calculate payments due to suppliers, including PPD 3.3.5 allocate amounts correctly: <ul style="list-style-type: none"> - in full payment - in part payment - against opening balances - against invoices - against credit notes. 	

4. Process receipts and payments		
4.1	Enter receipts and payments into an analysed cash book	
	<p>Learners need to know:</p> <p>4.1.1 the format of the cash book:</p> <ul style="list-style-type: none"> - date - details - cash - bank - analysis columns (including VAT) <p>4.1.2 the documents to use:</p> <ul style="list-style-type: none"> - direct debit/standing order schedule - remittance advice (including BACS) - paying-in slip - cheque stub - cash receipt - receipts and payments listing. 	<p>Learners need to be able to:</p> <p>4.1.3 calculate amounts from net and total figures</p> <p>4.1.4 make entries in the cash book.</p>
4.2	Enter receipts and payments into an analysed petty cash book	
	<p>Learners need to know:</p> <p>4.2.1 the format of the petty cash book:</p> <ul style="list-style-type: none"> - date - details - cash - analysis columns (including VAT) <p>4.2.2 the documents to use:</p> <ul style="list-style-type: none"> - cash receipt - petty cash voucher. 	<p>Learners need to be able to:</p> <p>4.2.3 calculate amounts from net and total figures</p> <p>4.2.4 make entries in the petty cash book including reimbursement using the imprest and non-imprest systems.</p>
4.3	Total and balance the cash book and petty cash book	
	<p>Learners need to be able to:</p> <p>4.3.1 total and balance the:</p> <ul style="list-style-type: none"> - cash book - petty cash book. 	
4.4	Process recurring receipts and payments	
	<p>Learners need to understand:</p> <p>4.4.1 the information required to set up a recurring entry.</p> <p>4.4.2 the effect of recurring entries in the digital bookkeeping system.</p>	<p>Learners need to be able to:</p> <p>4.4.3 set up a recurring entry.</p> <p>4.4.4 process a recurring entry.</p>

5. Process transactions into the ledger accounts

5.1 Transfer data from the books of prime entry to the ledgers

Learners need to know:

5.1.1 the ledgers:

- receivables
- payables
- general

5.1.2 that the receivables and payables ledger control accounts are part of the double-entry system.

Learners need to be able to:

5.1.3 transfer data from books of prime entry to the relevant accounts in the ledgers.

5.2 Total and balance ledger accounts

Learners need to be able to:

5.2.1 total and balance ledger accounts:

- balance carried down
- balance brought down
- debit balance
- credit balance.

Delivering this unit

To deliver this unit effectively, tutors should teach both the manual method and digital methods, although there is no requirement to learn any specific digital method. Tutors should ensure that students have access to a suitable digital system, including specialised accounting software packages, as part of their study for this unit.

Tutors could teach the content using manual bookkeeping methods and assign the student to complete the same tasks using digital accounting systems in order to understand where the processes are the same or differ. Similarly, the tutor can teach new areas using a digital accounting system first and then assign the student to complete the same task using the manual method.

Tutors could ensure that students understand that the principles they are learning are the same regardless of whether they are entered into a manual system or a digital system. The student should understand that accounting software automates the double-entry process but does not replace it.

Links with other units

This unit has close links with:

- Level 6 Principles of Bookkeeping Controls
- Level 6 The Business Environment
- Level 7 Financial Accounting: Preparing Financial Statements
- Level 8 Cash and Financial Management.

Test specification for Introduction to Bookkeeping 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/about-aat/qualification-development

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

Learning outcomes	Weighting
1. Understand how to set up bookkeeping systems	20%
2. Process customer transactions	20%
3. Process supplier transactions	20%
4. Process receipts and payments	20%
5. Process transactions into the ledger accounts	20%
Total	100%

Principles of Bookkeeping Controls

Unit level	GLH value	Unit reference number	Assessment
6	50	UP43 04 6 SCQF Credits	Unit and synoptic assessments

Introduction

This unit builds on the knowledge and skills acquired from studying Introduction to Bookkeeping and explores control accounts, journals and reconciliations. It takes students through a number of processes used in bookkeeping that help verify and validate the entries made. These processes enable the student to understand the purpose of control accounts and associated reconciliations. Students will also understand the use of the journal to the stage of redrafting the trial balance, following initial adjustments.

This unit covers procedures that are required to ensure bookkeeping is completed beyond purely entering or processing initial transactions, which will enable students to develop their understanding of the relationship between the various accounting records and consolidate their knowledge of double-entry bookkeeping.

Students will develop the ability to prepare the value added tax (VAT) control account as well as the receivables and payables ledger control accounts, including reconciliation with the receivables and payables ledgers. They will use the journal to record a variety of transactions, including the correction of errors. Students will be able to redraft the initial trial balance, following adjustments. They will learn to update the cash book following receipt of a bank statement, and also how to prepare a bank reconciliation statement.

This unit explores the knowledge required to complete these bookkeeping procedures both manually and digitally. While the student will not be expected to demonstrate the ability to use any specific accounting software, the unit will explain to them where digital accounting systems are automating processes they are learning. The skills and knowledge gained will enable students to understand the business environment and facilitate their comprehension of a digital accounting system. Reference to digital systems includes applications as well as both desktop and cloud accounting software.

Learning outcomes

1. Use control accounts
2. Reconcile a bank statement with the cash book
3. Use the journal
4. Produce trial balances

Scope of content

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

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

1. Use control accounts	
1.1	<p>Produce control accounts</p> <p>Learners need to understand:</p> <p>1.1.1 the purpose of the receivables and payables ledger control accounts (part of the double-entry bookkeeping system)</p> <p>1.1.2 the purpose of the VAT control account.</p>
	<p>Learners need to be able to:</p> <p>1.1.3 prepare control accounts:</p> <ul style="list-style-type: none"> - receivables ledger - payables ledger - VAT <p>1.1.4 total and balance control accounts:</p> <ul style="list-style-type: none"> - balance carried down - balance brought down.
1.2	<p>Reconcile control accounts</p> <p>Learners need to understand:</p> <p>1.2.1 reasons for reconciling the receivables and payables ledger control accounts with the receivables and payables ledgers.</p>
	<p>Learners need to be able to:</p> <p>1.2.2 total the balances of the individual receivables and payables ledger accounts:</p> <ul style="list-style-type: none"> - receivables ledger debit/credit balances - payables ledger debit/credit balances <p>1.2.3 identify discrepancies between the receivables and payables ledger control accounts and the individual customer and supplier accounts</p> <p>1.2.4 reconcile control accounts:</p> <ul style="list-style-type: none"> - receivables ledger - payables ledger <p>1.2.5 identify reasons for discrepancies between the receivables and payables ledger control accounts and the individual customer and supplier accounts.</p>

2. Reconcile a bank statement with the cash book

2.1 Payment methods

Learners need to understand:

2.1.1 different payment methods:

- cash
- cheque
- debit card
- credit card
- bank draft
- standing order
- direct debit
- BACS (Bankers' Automated Clearing Services)
- direct credit
- CHAPS (Clearing House Automated Payment System)
- Faster Payments

2.1.2 that different payment methods affect the bank balance in different ways:

- reduce funds on the date of payment
- reduce funds at a later date
- have no effect.

2.2 Use the bank statement to update the cash book

Learners need to understand:

2.2.1 reasons for reconciling the bank statement with the cash book

2.2.2 the items that can cause differences between bank statements and the cash book:

- opening balances
- bank interest paid/received
- bank charges
- automated payments/receipts
- timing differences:
 - outstanding lodgements
 - unrepresented cheques.

Learners need to be able to:

2.2.3 update the cash book using the bank statement:

- unrecorded
- duplicated

2.2.4 total and balance the cash book:

- credit/debit balance carried down
- credit/debit balance brought down.

2.3 Complete bank reconciliation statements

Learners need to be able to:

2.3.1 complete bank reconciliation statements using:

- closing bank statement balance
- timing differences:
 - unrepresented cheques
 - outstanding lodgements
- closing cash book balance.

3. Use the journal		
3.1	Produce journal entries to record bookkeeping transactions	
	<p>Learners need to understand:</p> <p>3.1.1 the purpose of the journal as a book of prime entry (manual and digital)</p> <p>3.1.2 how the journal is used to record:</p> <ul style="list-style-type: none"> - opening entries - irrecoverable debts written off - payroll transactions. 	<p>Learners need to be able to:</p> <p>3.1.3 process journal entries to the general ledger accounts</p> <p>3.1.4 record opening entries</p> <p>3.1.5 record entries to write off irrecoverable debts:</p> <ul style="list-style-type: none"> - record VAT where appropriate - calculate VAT from gross amounts - calculate VAT from net amounts <p>3.1.6 record entries for payroll transactions:</p> <ul style="list-style-type: none"> - wages control account - gross pay - income tax - employer's and employees' National Insurance Contributions (NICs) - employer's and employees' pensions - voluntary deductions.
3.2	Produce journal entries to correct errors not disclosed by the trial balance	
	<p>Learners need to understand:</p> <p>3.2.1 the difference between errors disclosed and not disclosed by the trial balance</p> <p>3.2.2 types of errors not disclosed by the trial balance (manual and digital):</p> <ul style="list-style-type: none"> - error of commission - error of omission - error of original entry - error of principle - reversal of entries - compensating errors. 	<p>Learners need to be able to:</p> <p>3.2.3 correct errors using the journal.</p>
3.3	Produce journal entries to correct errors disclosed by the trial balance	
	<p>Learners need to understand:</p> <p>3.3.1 the purpose of a suspense account.</p>	<p>Learners need to be able to:</p> <p>3.3.2 open a suspense account</p> <p>3.3.3 correct errors and clear the suspense account using the journal.</p>

4. Produce trial balances		
4.1	Extract an initial trial balance	
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Learners need to know:</p> <p>4.1.1 how to use the general ledger to extract balances</p> <p>4.1.2 the column to use in the trial balance:</p> <ul style="list-style-type: none"> - debit - credit. </td> <td style="width: 50%; vertical-align: top;"> <p>Learners need to be able to:</p> <p>4.1.3 transfer balances to the initial trial balance</p> <p>4.1.4 total and balance the initial trial balance.</p> </td> </tr> </table>	<p>Learners need to know:</p> <p>4.1.1 how to use the general ledger to extract balances</p> <p>4.1.2 the column to use in the trial balance:</p> <ul style="list-style-type: none"> - debit - credit.
<p>Learners need to know:</p> <p>4.1.1 how to use the general ledger to extract balances</p> <p>4.1.2 the column to use in the trial balance:</p> <ul style="list-style-type: none"> - debit - credit. 	<p>Learners need to be able to:</p> <p>4.1.3 transfer balances to the initial trial balance</p> <p>4.1.4 total and balance the initial trial balance.</p>	
4.2	Redraft the trial balance following adjustments	
	<p>Learners need to be able to:</p> <p>4.2.1 recalculate the balance of a general ledger account following journal entries</p> <p>4.2.2 complete a trial balance from adjusted and unadjusted balances</p> <p>4.2.3 balance the adjusted trial balance: total debit and credit columns.</p>	

Delivering this unit

To deliver this unit effectively, tutors should teach both the manual method and digital methods, although there is no requirement to learn any specific digital method. Tutors should ensure that students have access to a suitable digital system, including specialised accounting software packages, as part of their study for this unit.

Tutors can then teach the content using manual bookkeeping methods and assign the student to complete the same tasks using digital accounting systems in order to understand where the processes are the same or differ. Similarly, the tutor can teach new areas using a digital accounting system first and then assign the student to complete the same task using the manual method.

Tutors should ensure that students understand that the principles they are learning are the same regardless of whether they are entered into a manual system or a digital system. The student should understand that accounting software automates the double-entry process but does not replace it.

Links with other units

This unit has close links with:

- Level 6 Introduction to Bookkeeping
- Level 6 The Business Environment
- Level 7 Financial Accounting: Preparing Financial Statements
- Level 8 Cash and Financial Management.

Test specification for Principles of Bookkeeping Controls 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

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

Learning outcomes	Weighting
1. Use control accounts	25%
2. Reconcile a bank statement with the cash book	25%
3. Use the journal	25%
4. Produce trial balances	25%
Total	100%

Principles of Costing

Unit level	GLH value	Unit reference number	Assessment
6	50	UP44 04 7 SCQF Credits	Unit assessment

Introduction

This unit gives students an introduction to the principles of basic costing and builds a solid foundation in the knowledge and skills required for more complex costing and management accounting. Students will learn the importance of the costing system as a source of information that allows management to plan, make decisions and control costs. Students should recognise the key differences from a business perspective between costing and financial accounting.

Students will learn a range of techniques to cost materials, labour and overheads to establish the unit cost of a product or service, and this will include understanding and applying codes. Students will learn how to classify costs and will understand how different classifications of cost can be used for internal management decision making.

Students will understand how cost behaves at different levels of output, and how variable and fixed costs per unit behave as output changes. Students will learn to build a basic unit product cost using labour hours, machine hours and per unit as a basis. This will prepare students and give them the basic tools for studies in overhead apportionment, reapportionment and absorption in later units. They will learn that overhead is a large, and in many cases the largest, component of cost. The budgetary control system is introduced, and by comparing actual costs with budgeted costs for a single product and using a fixed budget, students will determine variances, noting whether they are adverse or favourable and reporting to management on their causes and effects.

Learning the tools and techniques that can be used to support the calculation of costs will allow students to recognise that cost calculations can be prepared more quickly and accurately than manual calculations.

Learning outcomes

1. Understand the cost recording system within an organisation
 2. Use cost recording techniques
 3. Provide information on actual and budgeted costs and income
 4. Use tools and techniques to support cost calculations
-

Scope of content

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

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

1. Understand the cost recording system within an organisation	
1.1	Collection and classification of costs in different types of organisations
	Learners need to know: 1.1.1 how costs are collected in different organisations 1.1.2 how elements of cost are classified: <ul style="list-style-type: none">- labour- materials- overheads 1.1.3 how costs are classified by nature: <ul style="list-style-type: none">- direct- indirect 1.1.4 how costs are classified by behaviour: <ul style="list-style-type: none">- fixed- variable- semi-variable and stepped costs 1.1.5 the difference between product costs and period costs.
1.2	Costing techniques used in organisations
	Learners need to know: 1.2.1 how product cost is determined: <ul style="list-style-type: none">- materials- labour- overheads 1.2.2 inventory valuation methods: <ul style="list-style-type: none">- first-in-first-out (FIFO)- last-in-first-out (LIFO)- weighted average cost (AVCO) 1.2.3 labour costing methods: <ul style="list-style-type: none">- time-rate- overtime, i.e. basic and premium rates- piecework- individual and team bonus payments- guaranteed minimum payments 1.2.4 overhead absorption methods: <ul style="list-style-type: none">- per unit- labour hours- machine hours.

1.3	Relationships between costing and financial accounting systems within organisations
	Learners need to understand: 1.3.1 the costing and financial accounting systems within an organisation 1.3.2 how each system uses costs: <ul style="list-style-type: none"> - costing systems use many classifications of cost - financial accounting uses only historic costs.
1.4	Sources of information on income and expenditure
	Learners need to know: 1.4.1 how historic cost is used for accounting and costing reporting 1.4.2 how costing systems use actual or budgeted costs to determine unit/job/batch costs 1.4.3 how budgeted and actual costs are used for planning and control purposes.
1.5	Differences between cost, profit and investment centres
	Learners need to know: 1.5.1 the differences between cost, revenue, profit and investment centres 1.5.2 the use of different centres in different organisations.
1.6	Classification and recording of labour and overheads
	Learners need to know: 1.6.1 how costs are classified by element, nature, behaviour and function 1.6.2 how costs are coded using numeric, alphabetic and alphanumeric coding systems 1.6.3 different costs included in a manufacturing account 1.6.4 how a manufacturing account is constructed.

2. Use cost recording techniques	
2.1	Calculate cost of inventory issues and inventory valuations
	Learners need to be able to: 2.1.1 cost issues of inventory for management accounting purposes using FIFO, AVCO and for internal use LIFO 2.1.2 calculate closing values of inventory using FIFO, AVCO and LIFO 2.1.3 analyse and report on inventory control policy compliance including buffer stocks and reorder quantities and timings.
2.2	Calculate labour payments
	Learners need to be able to: 2.2.1 calculate labour payments: <ul style="list-style-type: none"> - time-rate - overtime, i.e. basic pay and overtime premium - piecework - individual and team bonuses - guaranteed minimum payments.

2.3	Calculate overhead absorption rates	
	Learners need to be able to: 2.3.1 calculate overhead absorption rates to arrive at unit cost: <ul style="list-style-type: none"> - per unit - per labour hour - per machine hour. 	
2.4	Use cost behaviour to calculate total and unit costs	
	Learners need to understand: 2.4.1 that variable costs per unit remain the same at different levels of output but fixed costs per unit will change 2.4.2 that total cost per unit will also change as it may be made up of fixed, variable, semi-variable and stepped costs.	Learners need to be able to: 2.4.3 calculate total and unit costs at different levels of output 2.4.4 recognise changes in different costs as output levels change.
2.5	Calculate the costs of a product	
	Learners need to understand: 2.5.1 how direct cost is a component of product cost. 2.5.2 the different treatment of product costs and period costs 2.5.3 the components of: <ul style="list-style-type: none"> - direct cost - manufacturing cost - cost of goods manufactured - cost of goods sold. 	Learners need to be able to: 2.5.4 calculate product costs: <ul style="list-style-type: none"> - materials - labour - overheads 2.5.5 calculate costs of products manufacturing organisations: <ul style="list-style-type: none"> - direct cost - manufacturing cost - cost of goods manufactured - cost of goods sold 2.5.6 calculate costs of products in service organisations.

3. Provide information on actual and budgeted costs and income

3.1 Actual and budgeted costs and income

Learners need to understand:

- 3.1.1 how budgets are used for short-term planning and control
- 3.1.2 different types of budget:
 - fixed
 - flexible
- 3.1.3 how to determine if a variable is adverse or favourable for budgeted costs and income.

Learners need to be able to:

- 3.1.4 prepare budgets for single product organisations:
 - revenue
 - materials
 - labour
 - fixed overheads
- 3.1.5 calculate variances between actual and budgeted costs and income:
 - total materials
 - total labour
 - total overheads
 - total income
- 3.1.6 calculate variances as a percentage of budgeted costs and income.

3.2 Exception reporting to identify significant variances

Learners need to be able to:

- 3.2.1 identify significant variances according to an organisation's policy
- 3.2.2 analyse and report on the potential causes of variances
- 3.2.3 analyse and report on the potential effects of variances
- 3.2.4 report variance analysis to relevant manager.

4. Use tools and techniques to support cost calculations

4.1 Enter and format data

Learners need to be able to:

- 4.1.1 enter data into specified cells
- 4.1.2 format cells:
 - bold
 - italics
 - underline
 - merge
 - fill with colour
 - wrap text
 - text size
 - borders
- 4.1.3 format numbers:
 - thousand separators
 - accountancy
 - percentages
 - decimals
- 4.1.4 copy and paste cells (not paste values or paste link)
- 4.1.5 insert rows and columns.

4.2 Use formulas to support cost calculations

Learners must be able to:

4.2.1 use basic formulas:

- addition:
 - =SUM(number1, [number2],), e.g. =SUM(A1, B10)
 - =SUM(number1:number2), e.g. =SUM(A1:B10)
 - =number1+number2, e.g. =A1+B10
- subtraction:
 - =number1–number2, e.g. =B10-A1
- multiplication:
 - =number1*number2, e.g. =A1*B10
- division:
 - =number1/number2, e.g. =A1/B10.

Note: Use of formulas may require students to combine more than one function for any calculation.

Delivering this unit

To deliver this unit effectively, tutors should recognise that students may have little or no work experience in costing. The use of relevant products and services that students are familiar with in their daily lives will help to aid their understanding of this unit. For example, clothing, takeaway food and beverages will be recognisable to all students, along with items used in the workplace and training environment, such as office and IT equipment and services. The use of familiar products and services should enable students to have a better understanding of cost classification, total costs and how the cost of a product or service can change depending on the quantities produced, that is levels of output. Students should be encouraged to think about the different costs that occur in the production of a final product or service by participating in group discussions and projects. The use of media, such as documentaries featuring the manufacture of products, can also enhance the learning for students.

Scenarios will assist in the teaching of costing techniques, for example the use of a factory or hair salon to illustrate how materials, labour and overhead costs can be determined, along with inventory valuations and the absorption of overhead. The use of reports and examples from organisations can be used to explain the differences between financial and cost accounting and how organisations are split into different departments. Speakers from a variety of organisations, both in manufacturing and service industries, could be asked to demonstrate the basic costing techniques they use.

A great way of introducing the concept of budgeting to students is by asking them to consider their own finances, for example what they have to pay for on a regular basis, that is one-off costs and long-term considerations, whilst looking at plans to see how they will be able to fund their commitments. This could be done through projects and discussions, or case studies could be devised to avoid the sharing of personal information.

The use of formatting and mathematical formulas should, wherever possible, be embedded within the learning when covering cost calculations. For example, use of formatting techniques to present budgetary data, showing budget, actual and variances.

Links with other units

This unit has close links with:

- Level 6 The Business Environment
- Level 7 Management Accounting Techniques
- Level 8 Applied Management Accounting.

Test specification for Principles of Costing 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

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

Learning outcomes	Weighting
1. Understand the cost recording system within an organisation	30%
2. Use cost recording techniques	40%
3. Provide information on actual and budgeted costs and income	20%
4. Use tools and techniques to support cost calculations	10%
Total	100%

The Business Environment

Unit level	GLH value	Unit reference number	Assessment
6	90	UP45 04 13 SCQF Credits	Synoptic assessment

Introduction

The business environment is dynamic and is changing considerably as the digital age progresses to facilitate the global nature of business. It is essential that students are aware of the impact that this environment has on organisations, from sole traders to large companies operating in local, national and global markets, and that they are equipped with the knowledge and skills to enable them to work effectively.

This unit provides knowledge and understanding of key business concepts and their practical application in the external and internal environment in which students will work. Students will gain an understanding of the legal system and principles of contract law and an appreciation of the legal implications of setting up a business and the consequences this may have. Wider issues impacting businesses will be considered, including the global economic environment in which it operates, how governments impact upon it and the competitive nature of the global economy.

Students will learn how organisations are structured and where the finance function fits within this. They will recognise that the role of the finance function has changed considerably due to the impact of new technologies. Although many of the activities remain similar, their scope and nature reach beyond the traditional boundaries of the finance function.

This unit will prepare students for the current workplace and help them recognise the importance of working effectively, whilst acknowledging the value of differences and being sensitive to the needs of others. They will gain an appreciation of communication methods and learn how to recognise valid sources of information. They will develop skills in using data analytic technology to solve problems, analyse data and communicate effectively.

Ethics and sustainability are key themes embedded throughout this unit. Students will recognise the importance of ethics in business and how sustainable business is important for future business success.

Learning outcomes

1. Understand the principles of contract law
 2. Understand the external business environment
 3. Understand key principles of corporate social responsibility (CSR), ethics and sustainability
 4. Understand the impact of setting up different types of business entity
 5. Understand the finance function within an organisation
 6. Produce work in appropriate formats and communicate effectively
 7. Understand the importance of information to business operations
-

Scope of content

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

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

1. Understand the principles of contract law	
1.1	The different classifications of law
	Learners need to understand: 1.1.1 the principles of: <ul style="list-style-type: none">- common law and equity- public law and private law- criminal law and civil law.
1.2	The main sources of law
	Learners need to understand: 1.2.1 the development of law by the courts, tribunals and parliament
1.3	Key features of contracts
	Learners need to know: 1.3.1 the meaning of invitation to treat, offer and termination 1.3.2 the meaning and consequences of acceptance 1.3.3 the meaning of and the need for consideration 1.3.4 capacity and legality (valid, void, voidable contracts) 1.3.5 the meaning of discharge of contract: <ul style="list-style-type: none">- by performance- by breach.
1.4	Remedies available for breach of contract
	Learners need to understand: 1.4.1 the consequences of being in breach of contract through: <ul style="list-style-type: none">- damages- equitable remedies.

2. Understand the external business environment	
2.1	The economic environment
	<p>Learners need to understand:</p> <p>2.1.1 the micro-economic environment:</p> <ul style="list-style-type: none"> - the forces of supply and demand on pricing and output <p>2.1.2 the profit motive of business</p> <p>2.1.3 that businesses face uncertainty and risk.</p> <p>2.1.4 that businesses operate in a global business environment</p>
2.2	Government control of the economy
	<p>Learners need to understand:</p> <p>2.2.1 how government controls the economy</p> <p>2.2.2 the key principles of an effective tax system:</p> <ul style="list-style-type: none"> - equity - certainty - convenience - economy - fairness - transparency <p>2.2.3 how government raises finances through the tax system from:</p> <ul style="list-style-type: none"> - individuals - businesses - indirect taxes <p>2.2.4 the impact of government on interest rates, levels of employment and consumer spending.</p>
2.3	The competitive environment
	<p>Learners need to understand:</p> <p>2.3.1 how the competitive global market may affect a business</p> <p>2.3.2 how changes in exchange rates may change business costs</p> <p>2.3.3 the uncertainty and risks faced by business in the global market</p> <p>2.3.4 the benefits and disadvantages to a business of trading internationally.</p>

3. Understand key principles of corporate social responsibility (CSR), ethics and sustainability	
3.1	Corporate social responsibilities of a business
	<p>Learners need to understand:</p> <p>3.1.1 the objective of CSR</p> <p>3.1.2 the involvement of internal and external stakeholders</p> <p>3.1.3 how CSR responsibilities change over time.</p>
3.2	Sustainability and the environment
	<p>Learners need to understand:</p> <p>3.2.1 the responsibility of business with respect to sustainability</p> <p>3.2.2 the principles of triple bottom line reporting</p> <p>3.2.3 there may be a trade-off between sustainability and profit</p> <p>3.2.4 how businesses respond to changes in the environment to succeed in the long term.</p>
3.3	The fundamental principles of ethics for accounting technicians
	<p>Learners need to know:</p> <p>3.3.1 the five fundamental principles of ethics:</p> <ul style="list-style-type: none"> - confidentiality - professional behaviour - professional competence and due care - integrity - objectivity.
3.4	The need to act ethically
	<p>Learners need to understand:</p> <p>3.4.1 why it is important to act ethically:</p> <ul style="list-style-type: none"> - the difference between acting professionally and being a member of a professional body - the importance of accounting technicians complying with AAT's <i>Code of Professional Ethics</i> - the accounting technician's public interest duty to society as well as to the client or employer - the legal and professional nature of the accountant's obligation of compliance with the ethical code - when disciplinary action by AAT or internal disciplinary procedures may be brought against accounting technicians for unethical behaviour - fines or reputational damage suffered by organisations as a result of unethical behaviour and non-compliance with values, codes and regulations <p>3.4.2 the actions accounting technicians may have to take to act ethically:</p> <ul style="list-style-type: none"> - specific actions that accounting technicians may have to take in order to behave ethically - why simply complying with regulations may not constitute ethical behaviour.

4. Understand the impact of setting up different types of business entity

4.1 Models of business ownership

Learners need to understand:

- 4.1.1 the entity concept
- 4.1.2 the different legal structures that businesses adopt:
 - sole trader
 - partnership (including limited liability partnership (LLP))
 - company
 - not-for-profit organisation
- 4.1.3 that ownership of a business can be separate from the management and control of the business
- 4.1.4 the types of tax applicable to individuals, partnerships (including LLPs) and companies:
 - income tax
 - PAYE
 - corporation tax
 - VAT
- 4.1.5 the concept of limited liability and its effect
- 4.1.6 the key features of each legal structure:
 - control
 - management
 - sources of finance
 - liability
 - distribution of profit.

4.2 The legal administration of a business

Learners need to know:

- 4.2.1 for sole traders and limited companies:
 - the statutory books that must be kept
 - the accounting records that must be kept
 - the tax records that must be kept
 - the annual financial statements that must be filed
 - the annual returns that must be filed
 - the electronic filing requirements.

4.3 Business formation

Learners need to know:

- 4.3.1 how sole traders, partnerships (including LLPs) and limited companies are formed
- 4.3.2 the benefits and limitations of using 'off the shelf' companies
- 4.3.3 why some companies may use pre-incorporation contracts
- 4.3.4 the implications of business name:
 - what names can and cannot be used
 - rules about similar and misleading names
 - where names need to be displayed.

5. Understand the finance function within an organisation

5.1 The different functions of a business

Learners need to know:

5.1.1 the different functions of a business:

- operations/production
- sales and marketing
- finance
- human resources
- information technology
- distribution and logistics

5.1.2 the role each function plays in contributing to business success

5.1.3 the interconnected nature of technology to support each function

5.1.4 that these functions may be combined in smaller organisations.

5.2 The role of the finance function

Learners need to know:

5.2.1 the role of the finance function:

- responsibility for the production of statutory financial statements
- providing a service (information, support, advice and guidance) to both internal and external stakeholders

5.2.2 the relationship and interaction between finance and other functions of a business

5.2.3 how processes within the finance function may be outsourced (e.g. payroll).

5.3 How the finance team contributes to the success of an organisation

Learners need to know:

5.3.1 the importance of establishing effective business relationships

5.3.2 the principles of effective communication:

- content is written clearly, complete, accurate, timely and concise
- meets the needs of the recipient
- appropriate medium is used in a suitable environment

5.3.3 how actions of finance staff support efficient working practices, solvency and long-term financial stability, legal and regulatory compliance

5.3.4 the importance to an organisation's survival of remaining solvent and managing funds effectively

5.3.5 the different types of policies and procedures affecting finance staff:

- finance function-specific
- organisation-wide

5.3.6 the role of finance in CSR reporting.

6. Produce work in appropriate formats and communicate effectively

6.1

Sources of information

Learners need to know:

- 6.1.1 the difference between valid and invalid sources of information
- 6.1.2 the difference between primary and secondary sources
- 6.1.3 the benefits of obtaining information from more than one source
- 6.1.4 the importance of recognising sources when producing information.

Learners need to be able to:

- 6.1.5 choose information for a specific purpose.

6.2

Communicate information

Learners need to understand:

- 6.2.1 the importance of effective note-taking and documenting key pieces of information:
 - when dealing with customers
 - during meetings (one-to-ones with line manager; team)
- 6.2.2 the features of business communications:
 - business letters
 - emails
 - formal business reports
 - spreadsheets
 - social media communications
 - intranet
- 6.2.3 the influence and impact of inappropriate social media postings
- 6.2.4 the consequences of inappropriate information sharing.

Learners need to be able to:

- 6.2.5 produce written communication using acceptable business language that is clear, structured and follows a logical progression:
 - business letters
 - emails
- 6.2.6 recognise the impact and consequences of ineffective or inappropriate communication.

6.3

Plan workload to meet the needs of the organisation

Learners need to understand:

- 6.3.1 the importance of communicating with others whilst undertaking a task or if deadlines may not be met
- 6.3.2 how to prioritise workloads based on urgency and importance
- 6.3.3 the importance of meeting agreed deadlines and adhering to working practices
- 6.3.4 the impact on others of not completing specified tasks.

Learners need to be able to:

- 6.3.5 plan workload:
 - prioritise
 - monitor
 - review.

7. Understand the importance of information to business operations

7.1 The role of information in the work of the finance function

Learners need to understand:

7.1.1 the importance of providing useful information

7.1.2 the characteristics of useful information:

- comparable
- consistent
- understandable
- relevant and reliable
- timely

7.1.3 the use of digital technologies for financial data collection, processing and disseminating information

7.1.4 the information and documentation received by the finance function:

- budgetary
- inventory control and costing information
- information from suppliers and customers
- purchase orders
- remittance advice
- statements
- supplier invoices
- credit notes

7.1.5 the information and documentation produced by the finance function:

- information to help management decision making
- budgetary information
- cash information
- taxation information
- information for suppliers and customers
- sales invoices
- credit notes
- statements.

7.2 The importance of data and information security

Learners need to know:

7.2.1 why it is important to ensure the security of data and information

7.2.2 why it is important to maintain privacy and confidentiality

7.2.3 the implications for the organisation if data and information is not secure

7.2.4 how data and information is retained securely: using passwords, archiving, backups and restricting access

7.2.5 the importance of cybersecurity.

Delivering this unit

To deliver this unit effectively, tutors need to help students recognise the impact that the global business environment has on all organisations and give them an awareness of the environment in which they will work in the future. As a result of the digital age, the world has become much smaller and the global economy impacts upon a much wider range of businesses than ever, due to the technologies available. As students at this level may not have any work experience, they may have limited understanding of how business operates and the wider impacts upon business.

It is important for students to have an awareness of the legal environment and these topics can be challenging to deliver in an engaging format. The opportunity to visit law courts and participate in mock trials can help. Consideration of financial crime, its impact and the role of the finance professional using examples in the media may also help students recognise why it is important to understand the legal system.

The global business environment encompasses economic factors, at a micro- and macro-level, and political factors. It is vital that students have an appreciation of the wider and global issues that have an impact on businesses and government control. From a finance perspective, this is important, as it may influence key decisions concerned with the overall success of the business. As an organisation operates within the wider global marketplace, the type of business entity created may have an impact upon their ability to operate effectively. Students need to know that it is important to establish the business entity, ensuring it is fit for purpose now and in the future.

In the current climate, issues surrounding CSR, ethics and sustainability are increasingly important to all businesses. Students could be encouraged to debate key issues based on media coverage, highlighting the dangers of 'fake news'. The environmental impact of business is one area where student engagement may be particularly high and opportunities such as focusing on a local business to consider the challenges they face. The use of guest speakers, current news issues, a site visit or case study materials would facilitate engagement, teaching and learning in this area.

The finance function has now expanded its reach to all areas of a business and the processing of data has changed considerably as a result of digital technologies. The value that an effective finance function can add to the overall success of an organisation has moved towards an analytic and advisory function rather than a process role, and jobs in the future will move in this direction. Some aspects of the finance function are now subject to outsourcing and, as a result, the number of stakeholders involved has increased and data security is increasingly seen as an issue. Students are familiar with technology in their everyday lives but need to recognise the impact and issues that affect business on a daily basis and the consequences that inappropriate use of technology can have on overall success.

Communication within businesses is as important as ever, given the range of devices and media that businesses and individuals can access. The world of digital natives may not always be understood by business leaders but there needs to be recognition that some skills, which are reducing in popularity and may no longer be used by students, are important in the modern business environment. The use of social media platforms and the validity of information sources should be recognised and understood as an important aspect of communication. Students should also understand how their actions can impact upon others and the need for two-way communication to ensure that tasks are understood

fully and completed in line with operational requirements.

Access to technology is essential for the teaching of this unit, which should include accounting software and spreadsheets as a minimum. The opportunity to see other technologies being used, including cloud accounting software and integrated systems, may also be available on visits to businesses or via guest speakers.

Links with other units

This unit has close links with:

- Level 6 Introduction to Bookkeeping
- Level 6 Principles of Bookkeeping Controls
- Level 6 Principles of Costing
- Level 7 Business Awareness.

12. Synoptic assessment specification

Please refer to the latest Qualification Technical Information (QTI) for specific legislation or rates that apply to the current assessments. Details can be accessed at aat.org.uk/training/qualifications/2022/resources

Assessment method	Marking type	Duration of assessment
Computer based assessment	Partially computer/partially human marked	2 hours

The synoptic assessment will ask students to apply knowledge and skills gained across the qualification in an integrated way, within a workplace context. Scenarios will change over time to ensure the validity of the assessment.

12.1 Assessment objectives

	Task description	Weighting
Assessment objective 1	Demonstrate an understanding of the different business types and their functions	
Related learning outcomes	The Business Environment LO4 Understand the impact of setting up different types of business entity LO5 Understand the finance function within an organisation	10%
Assessment objective 2	Demonstrate an understanding of the finance function, its information requirements and sources, and its role in the wider organisation	
Related learning outcomes	The Business Environment LO5 Understand the finance function within an organisation LO6 Produce work in appropriate formats and communicate effectively LO7 Understand the importance of information to business operations	13%

Assessment objective 3	Demonstrate an understanding of corporate social responsibility (CSR), ethics and sustainability	
Related learning outcomes	The Business Environment LO3 Understand the principles of corporate social responsibility (CSR), ethics and sustainability	14%
Assessment objective 4	Process bookkeeping transactions and communicate information	
Related learning outcomes	Introduction to Bookkeeping LO1 Understand how to set up bookkeeping systems LO2 Process customer transactions LO3 Process supplier transactions	22%
	The Business Environment LO6 Produce work in appropriate formats and communicate effectively	
Assessment objective 5	Produce and reconcile control accounts, and use journals to correct errors	
Related learning outcomes	Principles of Bookkeeping Controls LO1 Use control accounts LO2 Reconcile a bank statement with the cash book LO3 Use the journal	10%
Assessment objective 6	Demonstrate an understanding of the principles of contract law	
Related learning outcomes	The Business Environment LO1 Understand the principles of contract law	7%

Assessment objective 7	Demonstrate an understanding of bookkeeping systems, receipts and payments, and the importance of information and data security	
Related learning outcomes	<p>The Business Environment</p> <p>LO7 Understand the importance of information to business operations</p> <p>Introduction to Bookkeeping</p> <p>LO1 Understand how to set up bookkeeping systems</p> <p>LO2 Process customer transactions</p> <p>LO3 Process supplier transactions</p> <p>Principles of Bookkeeping Controls</p> <p>LO1 Use control accounts</p> <p>LO2 Reconcile a bank statement with the cash book</p> <p>LO3 Use the journal</p>	10%
Assessment objective 8	Demonstrate an understanding of the global business environment	
Related learning outcomes	<p>The Business Environment</p> <p>LO2 Understand the external business environment</p>	14%

13. Delivering AAT qualifications

13.1 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

13.2 Training provider and assessment venue approval

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

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

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

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

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

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

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

13.3 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

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.

14. 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

14.1 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

14.2 Special consideration

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

Further information about special consideration and the procedure that must be followed in notifying AAT is given in the *Guidance on the Application of Reasonable Adjustments and Special Consideration in AAT assessments* available through MyAAT at aat.org.uk/assessment/adjustments-and-considerations

15. Support for training providers

15.1 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

15.2 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.

15.3 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.

15.4 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.

15.5 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.

15.6 Online support resources

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

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

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

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