

## AAT full membership

### Competency based work experience guidance and examples

#### Personal effectiveness competencies

You need to complete all seven personal effectiveness competencies

##### 1. Use of information technology

To demonstrate competence in this area, you should be able to:

- access information from the internet
- communicate and send information via the internet
- use a variety of software applications.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- gather and store information from the internet
- send and receive emails
- create and amend spreadsheets
- enter, manipulate and modify data/other information
- create and amend documents
- design and use standard templates.

#### Illustrative examples for information technology:

Not acceptable:

- I use computer on a daily basis to access clients' information and send emails to my colleagues and clients.
- I'm an expert in Sage line 50, Easy Books app for Mac, 1&1 Website Building, Microsoft Windows 98, 2000, XP, 7 & 8, Apple Mac OS-X, MS Word, MS Excel, MS PowerPoint, Adobe Photoshop.

Acceptable:

- I use Companies House and HMRC websites' search engines on a daily basis. I access clients' information on HMRC website and write letters to them using Microsoft Word. I work predominantly on sage line 50, Sage Payroll, Microsoft Excel and Word. I often set up Excel templates and use formulas to complete and link spreadsheets from the day books to the workbook and can accurately check formulas and dates. I can manipulate and organise data in order to find information I require. I create new spreadsheets for each client, sometimes manipulating an existing template or setting up a template from the beginning.
- On a daily basis I am required to use information technology within my job role. Most tasks I perform in a day are through our back office accounting system. This includes raising invoices and applying payments to customer accounts. I also have to download information from our bank's website and enter it onto our cashbook, which is stored on an Excel spreadsheet. I am required to extract data from our back office system and manipulate this in an Excel spreadsheet. Also the reports that we use to credit check customers have to be searched and viewed through the internet. Finally, on a daily basis, I send and receive emails to customers to help resolve their queries and to also chase them for payment.

## 2. Communicate with colleagues and/or clients in person

To demonstrate competence in this area, you should be able to:

- deliver relevant information clearly and logically
- listen attentively without making unnecessary interruptions
- ask sensible questions at the appropriate time
- answer questions accurately and helpfully
- treat colleagues/clients courteously and with respect.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- give a briefing to/receive a briefing from a colleague/client
- deliver a short presentation
- participate in a structured meeting.

### **Illustrative examples for communicating with colleagues and/or clients in person:**

Not acceptable:

- I have travelled to clients' homes to complete VAT returns.
- I regularly participate in structured meetings. I train work colleagues in their new roles.

Acceptable:

- Working in a team with five colleagues, communication is imperative. I work very closely with the public and deal with queries on a daily basis both face to face and via telephone; answering any questions they may have as well as dealing with changes in circumstances and asking questions to ensure their bill is calculated correctly. Sometimes it is necessary to deal with sensitive situations, for example a deceased council tax payers next of kin, and it is essential to ensure that any questions are asked in an appropriate and sensitive manner. I have built up strong working relationships with not only colleagues but also management, where I do not hesitate to voice my opinions in a confident manner and do this when attending monthly team meetings alongside my line managers and team mates.
- Participation in the Finance Department meetings. Listening to what my colleagues have to say in order to create accurate minutes for distribution to the team. Discussing and asking questions relating to other colleagues' discussion points such as objectives and concerns. Giving everyone a chance to speak and respecting their points of view on certain topics in order to come to mutually agreed solutions.

### 3. Present information in written form

To demonstrate competence in this area, you should be able to:

- identify information that needs to be communicated
- choose the most appropriate form of written communication
- communicate effectively following appropriate conventions e.g. spelling, grammar, house style and avoid the use of slang/jargon
- deliver relevant information clearly and logically.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- draft letters, emails and file notes
- produce analysis schedules
- complete work programmes
- prepare reports.

#### **Illustrative examples for presenting information in written form:**

Not acceptable:

- I have to send work related important emails on a daily basis. I have also recently prepared a report for my manager.
- I don't use any other written form except for writing emails.

Acceptable:

- On a daily basis I produce file notes, emails and letters to clients either updating them on their accounts or asking them for information so work can be done on their accounts. It is very important that these are professional and contain no abbreviations, slang etc. I proof read each email and letter before it goes out to make sure there are no mistakes. I usually use already existing templates but on occasions I need to type my response from scratch. When the information comes back from a client, I make sure to file it appropriately so it is easy to find. I also use our database to type in any notes from conversations or visits with our clients. These notes need to be written in a concise and clear manner so every member of the team knows what was discussed. On a monthly basis I prepare a report regarding progression against our targets and send it to our management team.
- I work for a manufacturing company. I draft letters to clients, send emails with quotations and invoices and also send emails to request quotations from around the world, in particular China and the European Union countries. One of my other tasks is to look after contracts with different suppliers. For example I was recently responsible for finding an alternative energy supplier. In this instance, formal letters were required to the existing energy supplier to terminate the contracts and it was necessary to use a more formal method of written correspondence appropriate to the legal agreements.

#### **4. Set targets, prioritise and organise work**

To demonstrate competence in this area, you should be able to:

- plan work and prioritise tasks
- make and keep deadlines
- monitor own time management.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- organise own workload
- communicate progress on assignments to senior colleagues
- complete work within agreed timescales.

#### **Illustrative examples for setting targets, prioritising and organising work:**

Not acceptable:

- I organise my own workload to make sure reconciliations are completed in a timely manner.
- I manage the whole company and all its activities and continually liaise with clients.

Acceptable:

- I carefully organise my workload. I start each day from going through my personal 'to do' list and plan work for the day. I use Outlook's calendar to note important deadlines both external and internal. On a regular basis I report the progress of jobs to my Line Manager. Daily I keep record of work done and the amount of time spent, which then are being analysed further by the company management.
- I am able to plan work and prioritise tasks effectively. For bigger tasks or projects I indicate how long I think each task will take me. I then take this to the relevant manager who goes through it and makes any necessary adjustments and agrees it with me. I then update this for actuals regularly whilst working on the job and discuss with my manager immediately if I think I am going to go over my time. I am able to make and keep deadlines. I demonstrate this by immediately writing down any tasks I have been given verbally and scheduling them in to my diary, when appropriate. I also keep lists and ensure everything is ticked off and update my manager when they ask what my work load is.

## 5. Work constructively with colleagues

To demonstrate competence in this area, you should be able to:

- work co-operatively
- share knowledge and information with colleagues
- appreciate the needs and workload of colleagues.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- effective team working to improve efficiency
- collaborate with others to produce better quality outcomes
- help and support junior staff.

### **Illustrative examples for working constructively with colleagues:**

Not acceptable:

- I'm a team player and I work effectively in a team to improve efficiency. On a daily basis I share knowledge and information with my colleagues.
- Within the team we communicate effectively to ensure the workload is evenly spread and manageable for everyone.

Acceptable:

- I work as part of a bigger accounts team. We always communicate and help one another on a various issues. If one member of staff finds out something new and important he shares with everyone else and we often have an open discussion on the topic. I myself often provide help to our junior member of staff and administrative assistant, mostly in respect of bookkeeping or using particular software.
- I always make a point of being approachable and my team knows they can ask me for help. We work together to make things run smoothly which is reflected in the volumes we process and mistakes that are made. Our team collaborates a lot with other departments to improve things constantly. With regards to supporting new staff, I always document all the actions that need to be done prior to them starting, this ensures that the new starter is fully set up and can get straight into learning the role they have been employed for.

## 6. Develop and maintain ethical working relationships

To demonstrate competence in this area, you should be able to:

- appreciate the ethical dimension in day-to-day situations
- ensure confidentiality of information
- demonstrate professional integrity.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- identify ethical issues arising
- refer possible problems to senior colleagues
- deal with confidential information appropriately
- develop open, honest and straightforward working relations.

### **Illustrative examples for developing and maintaining ethical working relationships:**

Not acceptable:

- Scrutinised all clients for potential ethical issues and informed relevant authorities if anything seemed unethical.
- I maintain confidentiality as per the agreement with my employer.

Acceptable:

- As we are a paperless office, all confidential information I am involved with processing is scanned onto the shared network where all access is restricted with passwords so nobody outside the company would be able to view it. I always make sure to destroy the document once it is scanned. This is done to also comply with data protection. When receiving a phone call from an existing client, I always ask a few security questions to ascertain I'm speaking with the right person. I make sure to keep my knowledge up to date in the area of ethics and I have used the AAT's ethics microsite and e-learning modules to test my knowledge.
- My role requires a high level of professional integrity, the management accounts need to truly reflect the financial position of the company. Confidentiality is very important in the company that I work for. This was emphasised recently in a data protection briefing which explained areas of the Data Protection Act as well as the importance of ensuring sensitive information is dealt with in the correct manner. For example we have a large amount of customers' bank details in the oracle system that we work on, so to help ensure only those who need it have access each user has their own unique username and password and all activity is traceable. We also password protect other documents to ensure that they can't be tampered with and the wrong people gain access to them. When there are potential issues it is required for me to escalate them to a senior member of staff, whether it is a query with regards to my work or an issue with a member of the team.

## 7. Demonstrate a commitment to own personal and professional development

To demonstrate competence in this area, you should be able to:

- assess your current level of competence
- set yourself objectives
- take responsibility for your own personal and professional development.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- attend an appraisal and discuss your objectives
- engage with the AAT's CPD cycle
- identify areas of personal and professional development required
- undertake relevant CPD activities

### **Illustrative examples for demonstrating a commitment to own personal and professional development:**

Not acceptable:

- Currently approaching the final stages of AAT Level 4.
- Learnt to submit a VAT return from beginning to end including preparation of the figures and online submission.

Acceptable:

- I have an appraisal every quarter. I complete my own appraisal regularly to ensure as much information goes into it as possible. I also set some of my own objectives as I feel your own input is very important in your own appraisal. I regularly look at the courses available in our company and enrol on them. I have undertaken several courses at work to further my development such as Effective Writing Skills, Excel Advanced and Intermediate. I constantly want to better myself and my knowledge. I have job shadowed several colleagues in other departments in order to learn and to develop a greater understanding of other roles within my company.
- During my time at me present company I have completed my AAT Level 3 and have nearly finished my AAT Level 4 as this is part of my continuing professional development within the company. I am currently working on my time management skills and organising my workload as I have been given extra work to do recently and have fitted it in with my old workload. I have also signed up to an Excel course which I found on the AAT website to help improve my excel skills and keep them updated. I regularly check the AAT website to see if there are any relevant CPD course or branch events which I can attend.

## Technical competencies

You need to show your competence in one of the technical competence components.

### 1. Financial Accounting

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- collect and process information for the preparation of accounts/financial statements
- ensure this information is complete and accurate
- identify and resolve any unusual items
- prepare a trial balance
- prepare and present accounts/financial statements in an appropriate format and in accordance with the applicable reporting framework
- prepare supporting information to the accounts/financial statements as appropriate.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- maintain a sales ledger, purchase ledger or cash book
- prepare bank and other reconciliations
- prepare a trial balance
- prepare accounts/financial statements
- prepare supporting schedules/notes to the accounts/financial statements.

#### Illustrative examples for Financial Accounting:

##### Example 1 – Financial Controller

As the Financial Controller of the Smith&Jones my role comprises:

- financial reporting for the board and investors accurately, completely and promptly
- financial reporting for lenders accurately and promptly, including testing financial covenants and preparation of compliance certificates
- statutory reporting and filing requirements
- ensure the group operates effective financial controls
- liaison with the group's external auditors for timely completion of the annual audit
- payroll and VAT returns, compliant with tax legislation and HMRC guidance
- draft tax computations and liaison with group tax advisers
- contributing to company projects requiring finance input
- continuously improve financial and administrative processes
- continuously improve the quality of the financial control team - ensuring appropriate staffing; cover and internal career development
- supervision of credit control function in conjunction with Credit Control Supervisor
- supporting all areas of the business in integrating acquisitions.

##### Example 2 – Purchase Ledger Clerk

As the Purchase Ledger Clerk at Feet-of-clay Ltd my responsibilities comprises:

- sole control over payments and the purchase ledger function
- code and check invoices
- work out VAT payments
- pay suppliers via BACS, cheque etc
- check and reconcile supplier statements
- file invoices and statements
- deal with purchase enquiries
- process staff expenses.



## 2. Management Accounting

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- collect and process information for the preparation of management accounts
- ensure this information is complete and accurate
- identify and resolve any unusual items
- prepare and present information for management purposes
- provide supporting explanations as required.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- gather management accounting data/information
- maintain systems for recording management accounting information
- gather and collate market/industry information
- prepare regular management accounts
- prepare supporting schedules to the management reporting package
- carry out analysis of significant movements and trends.

### **Illustrative examples for Management Accounting:**

#### **Example 1 – Management Accountant**

As the Management Accountant at PlasticBox Ltd my role comprises providing a Standard Cost report for all 20 product lines, where each product line may have between 3 to 12 different materials and 2 to 8 different components, require fabrication from 5 different labour grades.

The Standard Cost report comprises materials (and mix), labour, overhead, sales and profit variances.

The role requires the continuous monitoring of variances and the authority to take whatever corrective action deemed necessary for control of Direct Costs.

#### **Example 2 – Trainee Accountant**

As the Trainee Accountant (currently studying ACCA finals) my role involves:

- preparing the monthly management pack under the supervision of the Financial Controller
- preparing the sales reports analysed by services, departments and countries and compared against the sales forecast
- prepare the comparison reports between budgeted costs against actual costs and expenses incurred
- on one occasion I carried out a reconciliation between the management and financial accounts.

### 3. Cost Accounting

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- identify the short term and long term costs of products and/or services
- analyse differences between estimated and actual costs
- provide explanations for significant differences arising
- prepare budgets to monitor revenue
- prepare budgets to control expenditure.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- prepare costings for products and/or services
- carry out analysis of major cost variances
- give feedback on the results of variance analysis
- prepare new and/or update existing revenue budgets
- prepare new and/or update existing cost budgets
- prepare new and/or update existing cash flow forecasts.

#### **Illustrative example for Cost Accounting:**

##### **Example – Cost Accountant**

As the Cost Accountant of Supametals Industries, a medium sized manufacturing company, my duties include:

- managing all aspects of finance for the operation which includes period close processes, forecasting and preparing budgets
- management reporting including KPIs
- project support e.g. pricing of a new product line
- providing leadership to the site team on all aspects of finance
- business partner to the site manager and the leadership team – this role is part of the leadership team.

#### 4. Taxation

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- collect and process information for the preparation of direct/indirect tax returns
- ensure this information is complete and accurate
- identify and resolve any unusual items
- prepare direct/indirect tax returns
- provide supporting explanations as required.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- gather data/information for tax returns
- maintain systems of recording data/information for tax returns
- prepare appropriate analysis schedules
- prepare direct/indirect tax returns
- prepare supporting schedules
- communicate with the tax authorities on routine matters.

##### **Illustrative examples for Taxation:**

##### **Example 1 – VAT Assistant Manager**

As the VAT Assistant Manager of a Big Four I am part of a well-established team specialising in VAT that focuses on FTSE 100 clients. I am involved in a wide range of work and service some of the biggest clients in the market.

My key duties are:

- providing high quality tax services to clients
- manage VAT compliance for insolvent businesses
- interaction with HMRC, Insolvency team and other VAT teams
- prepare and deliver VAT training to more junior team members.

##### **Example 2 – Tax Compliance Clerk**

As the Tax Compliance Clerk at Pilchards Chartered Accountants, a small 4 partner firm, I have become the specialist that deals with HMRC investigations and compliance work. Initially, I dealt with cases involving our own clients. However, more recently other firms in the area have begun to pass investigation cases to me. I recently completed my CTA exams.

- **Payroll**

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- collect and process information for payroll purposes
- ensure this information is complete and accurate
- identify and resolve any unusual items
- prepare payroll returns and other payroll documents
- provide any supporting explanations as required.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- gather data/information for payroll purposes
- maintain systems of recording data/information for payroll purposes
- carry out routine payroll reconciliations
- prepare payroll returns and other payroll documents
- prepare supporting schedules
- liaise with the tax authorities on routine matters relating to payroll.

**Illustrative example for Payroll:**

**Example – Payroll Supervisor**

As the Payroll Supervisor I follow the company policy regarding payroll and assist the company to comply with its legal requirements in respect of Paye-As-You-Earn (PAYE) using Real Time Information (RTI).

I do not get involved:

- with Human Resource issues, however, I have advised on Employment Law usually after taking legal advice
- in Pensions issues other than to make the necessary deductions from the employee's salary, as advised by the employee or the pension company.

The payroll is run on a monthly basis, with the majority of information provided by HR and overtime hours provided by the Divisional Directors after being approved by the Department Managers.

The work involves:

- enter the information for new employees e.g. verify National Insurance Number (NINO)
- adding the overtime for the previous month
- update the tax codes as advised by HMRC
- make any changes to the various deductions e.g. pensions as required
- if advised by an employee then make changes to their bank details
- make the necessary adjustments for Statutory Sick Pay, Statutory Maternity Leave
- prepare the payroll reports
- obtain approval from a Director
- finalise the payroll and provide electronic payslips to employees
- arrange for payment of employees net pay directly into bank accounts, on occasion by cheque on a timely basis
- tax returns submitted electronically to HMRC, where a hardware/software failure occurs then liaise with HMRC to rectify the fault
- arrange for payment of income tax and National Insurance Contributions (NICs) to HMRC on a timely basis
- carry out End of Year (EOY) tasks
- prepare and submit P9Ds and P11Ds (alternatively – The company had a dispensation from P9Ds and P11Ds)
- post the PAYE journal onto the accounting system, which is then reconciled with the payment of income tax and National Insurance Contributions (NICs) to HMRC is made.

- **Audit**

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- gather evidence by following audit/review programme instructions
- resolve any problems by communicating and discussing issues with senior colleagues
- plan and manage resources to enable the audit/internal review to be completed in a timely and cost-effective way
- identify appropriate audit/review procedures for inclusion in audit/review programmes
- monitor work performed against audit/review programmes to ensure that objectives are met.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- follow audit/review programme instructions
- prepare working papers that document and evaluate audit/review work performed
- discuss and resolve issues arising during the audit/internal review with senior colleagues
- allocate work to junior staff according to their knowledge and experience
- monitor time and cost budgets to ensure they are adhered to
- design/tailor audit/review programmes
- review work performed to ensure that objectives are met.

**Illustrative example for Audit:**

**Example – Audit Assistant**

As the Audit Assistant at the Kingfisher Partnership, a small firm of Auditors, my role involves:

- assisting in carrying out quality audit and other assurance services to clients in different industry sectors
- assist in obtaining all necessary audit working papers and documentation including researching and documenting facts and findings
- identify and communicate accounting and auditing matters to managers and partners
- identifying performance improvement opportunities
- interact with clients to help ensure that the information flow from the client to the audit team is efficient
- having a working knowledge of the firm's Audit Tools.

- **Technical competence: Credit Control**

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- ensure that customers are offered credit appropriate to their level of credit worthiness
- ensure that customers comply with their agreed credit limits and payment plans
- take necessary action when credit agreements are not adhered to.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- perform credit control checks on new customers
- monitor customer payment patterns
- compile evidence of late payments
- highlight issues arising to senior colleagues
- implement appropriate action against late-paying customers.

**Illustrative example for Credit Control:**

**Example - Credit Controller**

As the Credit Controller I follow the company policy regarding providing goods and services “on credit”.

This involves:

- for new customers, this involves applying the company’s standard policy of supplying goods/services on credit. If the new customer requests a high level of credit then I undertake a few background checks where it is a company or in the case of individuals we check with a credit ratings agency
- working with the Sales Department where:
  - a “stop” needs to be added/removed from a customer’s account
  - establishing whether the Sales Invoice needs to be amended or a Credit Note raised
- working with the Accounts Department, in particular, the section dealing with the Sales Ledger to establish whether or not the customer’s payments have cleared our bank account
- following up when a new Sales Invoices is generated to make sure that
  - it has been received by the customer’s accounts department
  - it has been authorised
  - any issues raised by the customer are addressed as soon as possible to mitigate delays in settlement
- using an Aged Debtors List to chase outstanding debts
- report to the Financial Controller on a monthly basis regarding:
  - the level of outstanding debts
  - whether debts that are long overdue need to be passed to a debt collection agency or legal action taken in line with the company policy.

## 8. Teaching

To demonstrate competence in this area, you should be able to carry out some or all of the following:

- effectively plan and manage a programme of study for learners working towards one or more of the learning assessment areas in the AAT Accounting Qualification
- demonstrate a high knowledge and understanding of the learning assessment area being taught
- use a range of teaching strategies and resources to motivate learners and ensure that all the course content is appropriately covered within the time available
- achieve a satisfactory measure of success in terms of the number of learners being assessed as competent at the end of the course.

The following are examples of some of the tasks and activities which would help you to demonstrate your competence in this area:

- deliver a course programme that includes teaching and revision elements
- prepare high quality learning materials e.g. slides, notes and hand-outs that are both accurate and engaging
- receive generally good feedback from course participants
- Record overall success rates for learners' performance in the assessment that are at least in line with expectations.

### **Illustrative examples for Teaching:**

**Example** – I have prepared and taught a programme of study for Processing Bookkeeping Transactions

This involved:

- Identifying topics to be taught in each lesson for the unit, preparing presentation slides for theory sessions and identifying activities to be used as worked examples
- Ensuring that lessons were varied by using a range of different activities including:
  - Teacher led explanations and worked examples for double entry bookkeeping
  - Sorting accounts into assets/liabilities/revenue and expenses using cards, introducing time trials with prizes
  - Student led discussions about what they think would be needed in the different sales documents, followed by designing documents which included all the necessary information
  - Used AAT and other online learning modules to introduce and revise topics
  - Student led question and answer sessions in pairs about key bookkeeping terms
  - Practicing calculating settlement discounts using a range of figures and discount percentages
- Ensuring that learning is checked by using a range of checking methods:
  - Keeping a list of marks gained on computer marked exercises
  - Peer marked exercises in class fed back how the group was grasping concepts
  - Quizzes to check knowledge, recording marks
  - Directed questioning of students in class to cover weak areas for specific students
  - Teacher marked exercises at set stages of the programme
- Preparing students for the exam:
  - Discussed revision techniques
  - Reviewed exam techniques
  - Demonstrated how the computer based assessment works as this was their first exam
  - Ensured that students have access to practice exam activities, including how to check their answers
  - Took in and marked at least one practice paper for each student.

- The pass rate for the assessment was at the level agreed with my manager at the beginning of the course. It was based on the students' levels in numeracy and literacy before the course started.

### Further information

Find out more about the benefits of AAT professional membership and what it can offer you at **[aat.org.uk](https://aat.org.uk)**

Alternatively contact our advisors on 020 3735 2468 or via email at **[membershipsupport@aat.org.uk](mailto:membershipsupport@aat.org.uk)**

**We look forward to welcoming you as an AAT full member soon.**