

Spreadsheet Software

Learning Area Overview



Welcome to this learning area overview for Spreadsheet Software, prepared by AAT.

In this overview we'll explain what Spreadsheet Software is all about, and how it fits into the bigger picture of the AAT Accounting Qualification.

We'll explore the main topics you can expect to cover, and how the knowledge and skills you'll pick up will be of practical use to you in the workplace.

Finally, we'll explain how this learning area relates to the others you've already studied, and those you'll study in the future.

What you'll learn in Spreadsheet Software

In Spreadsheet Software, you'll be expected to demonstrate that you have the ability to use a spreadsheet that records data in rows and columns, performs calculations with numerical data and can present the resulting information using a range of tables, charts and graphs.

This learning area is usually assessed through an AAT case study, where you'll be have to complete a series of tasks based on a particular scenario. Alternatively, there's the option to provide workplace evidence which will be assessed locally by your training provider.

There are three main aspects to the Spreadsheet Software learning area. You'll need to be able to:

- use a spreadsheet to enter, edit and organise numerical and other data
- select and apply appropriate formulae and other data analysis techniques to a spreadsheet
- present and format spreadsheets in the most effective way to meet the needs of those who will use the information.



In terms of putting information together in a spreadsheet, you'll learn how to enter and edit numerical and written data accurately.

You'll also need to be able to do things like:

- insert data into single and multiple cells
- clear and edit cell contents
- copy and paste
- find and replace
- add and delete rows and columns
- add data and text to a chart
- hide and protect cells
- link data.

You'll learn how to use existing spreadsheets as well as spreadsheet templates, and produce individual spreadsheets to meet specific requirements.

You'll learn how to identify what data should be included in a spreadsheet and how it should be structured, and be able to use tabs, pages, workbooks, worksheets and windows.

Regarding the second element of this learning area — being able to select and apply formulae and other data analysis techniques — Spreadsheet Software requires you to be able to design and apply a wide range of formulae and functions to complete calculations.

These include various mathematical, statistical, financial, conditional, look up and logical functions.

Finally, when it comes to presenting and formatting spreadsheet information, you'll need to know the most appropriate way to display different kinds of information and how to summarise data.

You'll therefore cover when and how to display information in tables, graphs and charts for best effect.

You'll also learn about how to format spreadsheet contents to ensure they meet a competent standard and are easy to read.

How Spreadsheet Software will help you in the workplace

Spreadsheet Software is one of the learning areas in AAT's Accounting Qualification that's likely to be directly relevant to all members irrespective of the organisation they work in, or the type of role they perform.

As mentioned earlier in this overview, spreadsheets are an essential tool that help accountants and other finance professionals carry out a wide variety of day-to-day activities.

You'll probably already have come across data presented in the form of a spreadsheet in the workplace. You might even have had experience of producing information in this format on a regular basis.

Spreadsheet packages are very common, and most employers recognise how important it is to make sure they have staff with a good knowledge of how to use them.

Even if you think you're fairly proficient at using such software already, your ability to handle data and prepare effective spreadsheets will almost certainly improve as a result of the skills you develop in this learning area. This means that not only will you have taken another step forward in completing your studies, but both you and your employer will benefit from the additional contribution you'll subsequently be able to make at work.

Let's consider how accountants and other finance professionals tend to use spreadsheet software.

Management accountants typically use spreadsheets to produce budgets. The major advantage of using spreadsheet software for this purpose is that figures in a budget can be altered very easily to reflect changing conditions. The impact of the changes can then be seen immediately in the updated results.

Many financial accountants use spreadsheet software to prepare their organisation's extended trial balance, or ETB for short. Spreadsheets are a good way of producing ETBs because they allow the preparer to show clearly how the ledger account balances are altered to reflect year-end adjustments such as accruals and prepayments. The amended balances are then automatically allocated to their correct position in the final accounts, and an overall profit or loss is determined immediately.

People working in tax often use spreadsheets to analyse things like the VAT on sales and purchases prior to completing a VAT return. The software can comfortably handle working out VAT on net sales and purchases amounts, as well as calculating the VAT included in gross amounts. It can also generate the overall totals of input and output VAT needed for the quarterly VAT return.

How Spreadsheet Software relates to other learning areas

Spreadsheet Software is one of the seven compulsory learning areas at level 3. The other compulsory learning areas at this level are:

- Accounts Preparation I
- Accounts Preparation II
- Costs and Revenues
- Cash Management
- Indirect Tax
- Professional Ethics in Accounting and Finance.

Spreadsheet Software links in closely with virtually every other learning area in the qualification.

Most other learning areas cover a mixture of knowledge and skills in some aspect of financial accounting, management accounting, tax or auditing.

By contrast, Spreadsheet Software has no knowledge element to it — it's primarily a skills assessment. The main objective is to determine whether you understand how to prepare and use spreadsheets to complete the sort of tasks that are essential to the day-to-day work of people working in accountancy and finance.

