



## **Audit Report**

### **Association of Accounting Technicians (AAT)**

**25 April 2023**

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# 1 Background

This was the fifteenth audit of AAT since it was approved as an awarding body by SQA Accreditation in 1992.

AAT is an awarding and membership body for accountants. As an awarding body it operates globally offering a range of bookkeeping and accountancy qualifications to the financial sector. AAT's headquarters are in London.

## 1.1 Scope

SQA Accreditation carries out quality assurance activity in line with its *Quality Assurance of Approved Awarding Bodies Policy*. This states the type and frequency of our quality assurance activities, describes our reporting procedures and indicates how the awarding body's Quality Enhancement Rating is calculated.

As this was a full remote audit of AAT, all regulatory requirements were included within the scope of the audit. Our quality assurance activities are conducted on a sampling basis and, consequently, not all aspects of the awarding body's systems, procedures and performance have been considered in this report to the same depth.

SQA Accreditation audit reports are written by exception focusing only on those areas where corrective action is required or recommended. Consequently, this approach to audit reporting does not detail areas where compliance or good practice was found.

The audit was designed to ensure AAT complies with SQA Accreditation's regulatory requirements namely:

- ◆ *SQA Accreditation Regulatory Principles* (2021)
- ◆ all *Regulatory Principle Directives*
- ◆ the awarding body's Accreditation Licence

Awarding body documentation considered for review by the Audit Team includes all documents banked on AAT's SharePoint site at the time of audit and information supplied to support audit activity. Restricted or commercially sensitive information gathered during SQA Accreditation's quality assurance activities is treated in the strictest confidence.

## **1.2 Audit Report and Action Plan Timescales**

AAT: audit date: 25 April 2023

Audit Report approved by  
Accreditation Co-ordination Group on: 24 May 2023

Audit Report to be signed by AAT: 05 July 2023

Action Plan to be emailed  
to [regulation@sqa.org.uk](mailto:regulation@sqa.org.uk) by AAT: 05 July 2023

The process will apply in relation to the timescales specified above:

- ◆ The awarding body will be sent a signed copy of the Audit Report by email.
- ◆ The awarding body must sign the copy of the Audit Report and return by email to SQA Accreditation in accordance with the timescale specified above.
- ◆ The awarding body will also be emailed a copy of the Action Plan.
- ◆ The awarding body must complete and return the Action Plan in accordance with the timescale specified above and email this in Microsoft Word format to [regulation@sqa.org.uk](mailto:regulation@sqa.org.uk).
- ◆ SQA Accreditation will confirm when the Action Plan is appropriate to address the Issues and present it to Accreditation Co-ordination Group (ACG) for approval.
- ◆ Following approval by ACG, the awarding body will be sent a signed copy of the approved Action Plan by email.
- ◆ The awarding body must sign the copy of the Action Plan and return by email to SQA Accreditation.

The findings of this Audit Report and the associated Action Plan will be published on SQA Accreditation's website following signed agreement.

SQA Accreditation will continually monitor progress towards completion of the proposed actions identified in the Action Plan and update the awarding body's Quality Enhancement Rating as appropriate.

### 1.3 Summary of Audit Issues and Recommendations

An Issue has been recorded where evidence shows that the awarding body is not compliant with SQA Accreditation's regulatory requirements. The awarding body must address the Issues and specify corrective and preventative measures to address them through its Action Plan.

The Action Plan is emailed to AAT as a separate document to the Audit Report, and must be submitted to SQA Accreditation in accordance with the timescale specified in 1.2.

As a result of the audit and post-audit activities, four Issues has been recorded and three Recommendations have been noted.

Issue	Detail of Issue recorded	Risk rating
1. Principle 17	<i>AAT Enquiries and Appeals Procedure September 2022 V2.0</i> does not direct to the correct complaints channel for SQA Accreditation. Additionally, this document does not make clear that SQA Accreditation is unable to overturn assessment decisions or academic judgements.	Low
2. Principle 5	Prior to the audit, SQA Accreditation Auditors utilised AAT's website to find suitable qualifications. The search returned no SQA accredited qualifications. AAT must consider raising awareness of SQA Accreditation's accredited qualifications through their website.	Very Low
3. Principle 16	AAT must include within the <i>Feedback, compliments, and complaints policy 09/03/23 V1.1</i> a link to SQA Accreditation complaints information.	Very Low
4. Principle 15	AAT must review the <i>Congratulations on your achievement</i> letter to ensure the qualification details match the certificate issued.	Very Low

A Recommendation has been noted where SQA Accreditation considers there is potential for enhancement. The awarding body is advised to address any Recommendations in order to reinforce ongoing continuous improvement. However, measures to correct or prevent these are not mandatory and therefore do not form part of the Action Plan.

Recommendation	Detail of Recommendation noted
1. Principle 9	AAT should consider the information held within SharePoint and ensure it is current, for example, <i>Identifying the needs and demands for AAT qualifications in Scotland 17/04/15</i> should be archived.
2. Principle 5	AAT may wish to consider reviewing learning providers' uptake of qualifications regularly.
3. Principle 13	AAT should consider a centralised recorded/tracked process that ensures close-out of actions in a timely manner from external quality assurance activity.

## **1.4 Risk Rating of Issues**

SQA Accreditation assigns a rating to each Issue recorded, depending on the impact on or risk to the awarding body's operations, its SQA accredited qualifications and/or the learner. Issues recorded during the audit will count towards AAT's Quality Enhancement Rating which will, in turn, contribute towards future quality assurance activity. Further detail on how the Quality Enhancement Rating is calculated can be found on the [SQA Accreditation website](#).

## 2 Detail of Audit Issues and Recommendations

The following sections detail Issues recorded and Recommendations noted against SQA Accreditation's regulatory requirements.

### 2.1 Issues

**Regulatory Principle 17. The awarding body and its providers must have clear, fair and equitable systems, policies and procedures to manage appeals.**

Prior to the audit, SQA Accreditation Auditors reviewed documentation uploaded to AAT's SharePoint site. On review of *AAT Enquiries and Appeals Procedure, September 2022, V2.0* it was established that an incorrect link had been added which did not direct the reader to SQA Accreditation's website for complaints. Furthermore, the procedure has omitted the fact that SQA Accreditation is unable to overturn assessment decisions or academic judgements.

This has been recorded as **Issue 1**.

**Regulatory Principle 5. The awarding body and its providers must provide clear information on their procedures, products and services and ensure that they are accurate and appropriate to accredited qualifications.**

Prior to the audit SQA Accreditation Auditors reviewed AAT's website. It was established through manipulating the various search facilities that the Auditors could not find any SQA Accreditation accredited qualifications. When using the *Qualification Navigator*, the system could not recommend any SQA Accreditation accredited qualifications. Additionally, when using the *Find a training provider facility* there is no option to select any SQA accredited qualifications. Having found Scottish providers, it appears the incorrect qualifications are then advertised.

There also appears to be a disparity between the *Provider Summary* document and actual provider-advertised courses on AAT's website.

One provider's information is showing on the *Provider Summary* form as offering:

R484 04	AAT Foundation Certificate in Accounting at SCQF Level 5
R485 04	AAT Advanced Diploma in Accounting at SCQF Level 6
R486 04	AAT Professional Diploma in Accounting at SCQF Level 8
R683 04	AAT Certificate in Accounting – SCQF Level 6
R684 04	AAT Diploma in Accounting – SCQF Level 7
R685 04	AAT Diploma in Professional Accounting – SCQF Level 8

Whilst on AAT's Website they are offering:

Level 2 Certificate in Accounting  
Level 3 Diploma in Accounting  
Level 4 Diploma in Professional Accounting

This has been recorded as **Issue 2**.



**Regulatory Principle 16. The awarding body and its providers must have open and transparent systems, policies and procedures to manage complaints.**

Prior to the audit SQA Accreditation Auditors reviewed AAT's *Feedback, compliments, and complaints policy 09/03/23 V1.1*. It was noted that the policy omitted to explain that staff, providers and learners must be made aware of how and when they can complain to SQA Accreditation and, where appropriate, the Scottish Public Services Ombudsman (SPSO). AAT must update their policy to include this information. It was noted however, that this information is presented clearly on AAT's website and although not a concern should be included within the policy.

This has been noted as **Issue 3**.

**Regulatory Principle 15. The awarding body must have effective, reliable and secure systems for the registration and certification of learners.**

Further review of AAT's SharePoint site identified that the *Congratulations on your achievement* letter which is sent to learners with their qualification certificate identified another qualification. For example, AAT Foundation Certificate in Accounting, at SCQF Level 5, R484 04, letter stated AAT Foundation Certificate in Accounting – Level 2. AAT must review this letter to ensure the correct qualification title is stated.

This has been recorded as **Issue 4**.

## 2.2 Recommendations

**Regulatory Principle 9. The awarding body and its providers must maintain accurate documents, records and data.**

In preparation for the audit, SQA Accreditation Auditors reviewed documentation held within AAT's SharePoint site. It was noted that their site overall held accurate and up-to-date documentation, except for a few documents such as: *Minutes – Identifying the needs and demands for AAT qualifications in Scotland 17/04/15*, *AAT AQ2016 Consultation Feedback July 2015*, *SQA – Credit rating and levelling training for SCQF units for AQ201 19/10/15*. It is recommended that AAT review content regularly to ensure validity of content.

This has been noted as **Recommendation 1**.

**Regulatory Principle 5. The awarding body and its providers must provide clear information on their procedures, products and services and ensure that they are accurate and appropriate to accredited qualifications.**

As part of SQA Accreditation's requirements, an awarding body must produce a provider list twice yearly. On review of AAT's list, it was identified that some providers had no uptake of any of SQA Accreditation's accredited qualifications in the last year. The Auditors suggested AAT should review provider uptake regularly.

This has been noted as **Recommendation 2**.

**Regulatory Principle 13. The awarding body and its providers must ensure that they have systems and processes which ensure the effective quality assurance of accredited qualifications.**

Through discussion with AAT, it was established that AAT uses contracted personnel to facilitate external quality assurance (EQA), with contracts reviewed/renewed/terminated yearly. Regarding the responsibility of close-out of Actions, it was established that this is the responsibility of each EQA contractor, and most cases are closed out within a matter of weeks. The SQA Accreditation Auditors proposed this information should be centrally recorded to confirm close out of actions in a timely manner, and to provide for continuance should there be a change of EQA from one year to the next.

This has been noted as **Recommendation 3**.

## 3 Acceptance of Audit Findings