

# AAT Glossary

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## Interpretation

AAT's Glossary provides an interpretation for the terms used in AAT's regulatory framework. The words and phrases set out in the following table have the meanings set opposite them for the purpose of our regulations and policies as published by AAT from time to time in force.

Words	Meaning
<i>Articles of the Association</i>	The Association's Articles of Association
<i>accountancy services</i>	Any or all services as described in the <i>Licensing policy</i> within the <i>Licence Tiers</i> .
<i>bookkeeping services</i>	Any or all services as described in the <i>Licensing policy</i> within <i>Licence Tier 4 only</i> .
<i>affiliate</i>	An individual <i>Registered</i> under the <i>AAT Regulations</i> who holds an <i>AAT qualification</i> but has not yet acquired the necessary <i>work experience competencies</i> for full membership.
<i>Anti-Money Laundering supervision</i>	Supervision of anti-money laundering compliance requirements from time to time in accordance with the <i>Money Laundering Regulations</i> and <i>Proceeds of Crime Act</i> in force.
<i>appealable decision</i>	Any decision to refuse a <i>licence</i> or to impose a <i>specific condition</i> under the <i>Licensing policy</i> or to terminate a licence under the <i>Licensing Regulations</i> ; or any decision to refuse an application under the <i>AAT Regulations</i> ; or any finding of <i>misconduct</i> or sanction imposed under the <i>Disciplinary Regulations</i> .
<i>appellant</i>	An individual bringing an appeal under the <i>Appeals Regulations</i> .
<i>Appeals Committee</i>	A committee with a quorum of three consisting of two lay and one professional panellist convening to hear appeals under the <i>Appeals Regulations</i> .
<i>Appeal fee</i>	Any individual bringing an appeal under the <i>Appeals Regulations</i> must include the appropriate appeal fee of £50.
<i>Appeals Secretary</i>	The member of staff at AAT (or their appointed delegate) responsible for administering appeals brought under the <i>Appeals Regulations</i>
<i>applicant</i>	An individual applying for entry to the <i>Register</i> under <i>AAT's Regulations</i> or for a <i>licence</i> under the <i>Licensing Regulations</i> .
<i>application</i>	An application for entry to the <i>Register</i> under <i>AAT's Regulations</i> or for a <i>licence</i> under the <i>Licensing Regulations</i> .
<i>arrangements for continuity of practice</i>	The arrangements required of those holding a <i>licence</i> to ensure continuity of service to clients, protection of client work, data, and assets and/or orderly closure of their business should the <i>member</i> cease practice for any reason as defined in the <i>Continuity of Practice policy</i> .

<i>Associate member</i>	An individual who has satisfied the requirements for associate membership of AAT and <i>Registered</i> as an Associate member under Regulation 9 of the <i>AAT Regulations</i> .
<i>Association</i>	The Association of Accounting Technicians, a company registered in England and Wales (No. 1518983) or its employees or delegees (and in this document is also referred to as 'AAT').
<i>Bank</i>	<p>Interpretation:</p> <ul style="list-style-type: none"> <li>a) branch in the United Kingdom or Ireland of: <ul style="list-style-type: none"> <li>i. the Bank of England.</li> <li>ii. the Central Bank of Ireland.</li> <li>iii. the Central Bank of another member State of the European Union.</li> <li>iv. a person who has permission under Part 4 of the <i>Financial Services and Markets Act</i> to accept deposits; or</li> <li>v. a building society within the meaning of the <i>Building Societies Act 1986</i> which has adopted the power to provide money transmission services and has not assumed any restriction on the extent of that power.</li> </ul> </li> <li>b) a branch outside the United Kingdom or Ireland of: <ul style="list-style-type: none"> <li>i. a bank within the meaning of paragraph a) above.</li> <li>ii. a bank which is a subsidiary or parent company of such a bank.</li> <li>iii. a credit institution, as defined in the First <i>EU Banking Coordination Directive number 77/780 (EEC)</i>, established in a member State of the European Union other than the United Kingdom or Ireland and duly authorised by the relevant supervisory authority in that member State.</li> </ul> </li> <li>c) a bank on: <ul style="list-style-type: none"> <li>i. the Island of Guernsey that is registered as a Deposit Taker under the <i>Banking Supervision (Bailiwick of Guernsey) Law 1994</i>.</li> <li>ii. the Island of Jersey including a registered person under the <i>Banking Business (Jersey) Law 1991</i>.</li> <li>iii. the Isle of Man including a bank which is licensed under the <i>Isle of Man Banking Act 1998</i>.</li> </ul> </li> </ul>
<i>bookkeeper</i>	A person admitted as an <i>associate member</i> demonstrating the requirements for the subcategory of <i>bookkeeper</i> .
<i>case management hearing</i>	A hearing convened in accordance with Regulation 16 of the <i>Disciplinary Regulations</i> at which directions may be given for the management of a case to hearing.
<i>chair</i>	The member of the <i>Disciplinary and Conduct panel</i> appointed to chair the <i>Disciplinary Tribunal</i> .

<i>Chair of the Appeals Committee</i>	The member of the <i>Appeals Committee</i> appointed to chair the appeals proceedings for any cases being heard under the <i>Appeals Regulations</i> .
<i>client bank account</i>	An account at a bank in the name of the <i>firm</i> separate from other accounts of the <i>firm</i> which may be either a general account or an account designated by the name of a specific client or by a number or letters allocated to that account and which, in all cases, includes the word “client” in its title.
<i>client care</i>	The arrangements required of those holding a <i>licence</i> for ensuring proper standards of <i>client care</i> and service as detailed in AAT’s <i>Client Care</i> policy.
<i>clients’ money</i>	Money of any currency (whether in the form of cash, cheque, draft, or electronic transfer) which a <i>firm</i> holds or receives for or from a client, including money held by a <i>firm</i> as stakeholder, and which is not immediately due and payable on demand to the <i>firm</i> for its own account. Clients’ money must be held in the currency in which it was received unless the client instructs otherwise in writing.
<i>complaint</i>	A complaint about a <i>member</i> to the effect that they have breached the <i>Code of Professional Ethics</i> or has otherwise conducted themselves in a way that poses a risk to the public or is likely to undermine confidence in AAT or its <i>members</i>
<i>condition</i>	Any condition imposed on a <i>licence</i> under the <i>Disciplinary Regulations</i> or <i>Licensing Regulations</i> and associated policies.
<i>continuity of practice</i>	Arrangements with an alternate professional accountant to cover all work in the event of long-term absence.
<i>costs</i>	A monetary charge ordered against a <i>member</i> in respect of <i>costs</i> incurred by Professional Standards in bringing a case before a <i>Disciplinary Tribunal</i> . The maximum amount as set by AAT is £15,000.
<i>Council</i>	The Council of the <i>Association</i> responsible for establishing and overseeing AAT’s strategic direction. It delivers on this in accordance with AAT’s <i>Articles of Association</i> .
<i>CPD</i>	Continuing Professional Development
<i>criminal conviction</i>	A conviction in the British Islands for a criminal offence, or a conviction elsewhere for an offence which, if committed in England and Wales, would constitute a criminal offence.
<i>disciplinary decision</i>	A finding of <i>misconduct</i> or sanction imposed under the <i>Disciplinary Regulations</i> .
<i>Discipline and Conduct panel</i>	The pool of suitably qualified persons appointed by AAT to act as panellists at hearings of the <i>Disciplinary Tribunal</i> and <i>Appeals Committee</i> .
<i>disciplinary sanction</i>	A sanction imposed under the <i>Disciplinary Regulations</i> ; or equivalent finding concerning an individual by another professional body or regulator in the British Islands or elsewhere.

<i>Disciplinary Tribunal</i>	A panel with a quorum of three consisting of two lay and one professional panellist drawn from the pool of the <i>Disciplinary and Conduct panel</i> to hear cases brought under the <i>Disciplinary Regulations</i> .
<i>evidential test</i>	The first test applied under the <i>Disciplinary Regulations</i> in considering whether to bring proceedings, which is whether, on the balance of probabilities, there is evidence to provide a realistic prospect that the <i>member</i> will be found guilty of <i>misconduct</i> , considering what the <i>member's</i> case in response may be and how that is likely to affect <i>Professional Standards' case</i> .
<i>family</i>	Parents, spouse, siblings, half-siblings, and offspring.
<i>fine</i>	A monetary charge imposed upon a <i>member</i> , issued under the <i>Disciplinary Regulations</i> . The maximum <i>fine</i> as set by AAT is £10,000.
<i>fit and proper</i>	A person considered to be suitable for entry into the accountancy profession by virtue of their conduct, who has not acted or is not likely to act in a way that poses a risk to the public or is likely to undermine confidence in AAT or its <i>members</i> .
<i>firm</i>	A sole practitioner who is a <i>member</i> , or a partnership, or a body corporate or a limited liability partnership comprised in whole or in part of <i>members</i> , the business of whom or of which includes carrying on the profession of accountancy.
<i>fellow member</i>	A <i>member</i> who has satisfied the requirements for fellow membership of AAT and is <i>Registered</i> as a <i>fellow member</i> under Regulation 11 of the <i>AAT Regulations</i> .
<i>full member</i>	A <i>member</i> who has satisfied the requirements for full membership of AAT and is <i>Registered</i> as a <i>full member</i> under Regulation 10 of the <i>AAT Regulations</i> .
<i>household</i>	Includes anyone residing at the same address as the member as part of a family unit including cohabitation.
<i>Independent Accountant</i>	A <i>firm</i> which is a registered auditor under the <i>Companies Act 2006</i> or the <i>Companies Act 1990</i> in the Republic of Ireland and which has satisfied itself that it is independent of the <i>firm</i> on which the Independent Accountant is reporting, in the terms referred to on Independence – assurance engagements in Section 290 in the <i>Code of Professional Ethics</i> .
<i>Independent Accountant's Report</i>	A report (in such form as the <i>Council</i> shall from time to time determine) covering such period as the <i>Council</i> or its nominee may require, to the Chief Executive or his nominee, required in terms of Regulation 28(b) and commissioned by the <i>firm</i> which the <i>firm</i> must ensure states whether, in the view of the <i>Independent Accountant</i> : <ul style="list-style-type: none"> <li>a) it has adequate systems so that it can comply with the <i>Regulations</i> and make the confirmations necessary in terms of Regulation 27.</li> <li>b) it has complied with the <i>Clients' Money</i> policy as at the reporting date; and</li> </ul>

	c) while carrying out the work in support of the Report, anything has come to the <i>Independent Accountant's</i> attention which caused them to believe that the <i>firm</i> has failed to comply with the <i>Regulations</i> .
<i>insolvency</i>	Bankruptcy, Debt Relief Orders, Individual Voluntary Arrangements and Corporate Insolvency matters under the <i>Insolvency Act 1986</i> and other insolvency matters, such as County Court Judgments (CCJ) or debt management plans, as defined within AAT's <i>Insolvency policy</i> .
<i>investigation</i>	An investigation of a <i>complaint of misconduct</i> under the <i>Disciplinary Regulations</i> .
<i>Investigations Team</i>	A team, consisting of a member of <i>Professional Standards</i> and an appointed member of the <i>Discipline and Conduct panel</i> , who conduct investigations of <i>complaints of misconduct</i> and decide whether to refer such a <i>complaint</i> to a <i>Disciplinary Tribunal</i> under the <i>Disciplinary Regulations</i> .
<i>Investigations Committee</i>	The members of the <i>Discipline and Conduct panel</i> specifically appointed to support Professional Standards in the investigation of complaints.
<i>Legal Assessor</i>	An appropriately experienced, regulated legal professional, appointed by AAT to provide independent legal advice to the <i>Disciplinary Tribunal</i> or <i>Appeals Committee</i> at hearings.
<i>licence</i>	A licence to provide <i>accountancy and/or bookkeeping services</i> to the public under the <i>Licensing Regulations</i> .
<i>licensing decision</i>	Any decision to grant, refuse or terminate a <i>licence</i> under the <i>Licensing Regulations</i> .
<i>Licence Tier</i>	A <i>licence</i> may be granted at one of a range of levels known as Licence Tiers (tier 1 – 4), each of which corresponds to the scope of services the holder is permitted to provide.
<i>member</i>	A person admitted to the membership of AAT in accordance with the provisions of the <i>AAT Regulations</i> (where the context so permits), this term includes <i>associate members, full members, and fellow members</i> , whether past or present.
<i>misconduct</i>	Professional or personal conduct, in breach of the <i>Code of Professional Ethics</i> , which poses a risk to the public or is likely to undermine public confidence in AAT or its <i>members</i> .
<i>mixed monies</i>	Monies received (whether in the form of cash, cheque, draft, or electronic transfer) or held by a <i>firm</i> or <i>Principal</i> in terms of paragraph 10 of the <i>Clients' Money Policy</i> , which comprises or includes <i>clients' money</i> and money due to the <i>firm</i> .
<i>practice assurance monitoring</i>	AAT's quality assurance arrangements to assess if <i>members</i> holding a <i>licence</i> are meeting the expected requirements of the practice assurance standards, regulations, and the <i>Code of Professional Ethics</i> .

<i>practice assurance standards</i>	The practice standards required of those holding a <i>licence</i> .
<i>prescribed fee</i>	The relevant fee(s) for <i>application</i> or renewal as published by AAT from time to time.
<i>presenting officer</i>	Any person appointed by AAT to represent it at any hearing before the <i>Appeals Committee</i> or <i>Disciplinary Tribunal</i> .
<i>Principal</i>	A <i>member</i> who is a sole practitioner or who is a partner in a <i>firm</i> which is a partnership or who is a director of a <i>firm</i> which is a body corporate or who is a partner in a limited liability partnership.
<i>professional indemnity insurance (PII)</i>	A policy of liability insurance against claims of professional negligence which meets the minimum standards required by AAT as articulated in the <i>Professional indemnity insurance policy</i> .
<i>Professional Standards</i>	The department of AAT responsible for investigating <i>misconduct</i> and bringing cases under the <i>Disciplinary Regulations</i> .
<i>public interest test</i>	The second test applied under <i>the Disciplinary Regulations</i> in considering whether to make a referral of a <i>complaint of misconduct</i> to a <i>Disciplinary Tribunal</i> if it is in the public interest to do so (which for the avoidance of doubt shall not prevent any disposal of a <i>complaint of misconduct by the Investigations Team</i> ). This interpretation is for the purpose of AAT's disciplinary framework only, it is not a definition of "public interest test" in more general terms.
<i>Register</i>	The Register of <i>members</i> maintained by AAT under the <i>AAT Regulations</i> .
<i>Regulations</i>	Any or all regulations as approved by the <i>Council</i> .
<i>self-employed accountancy services</i>	<p>An <i>associate member</i>, <i>full member</i> or <i>fellow member</i> engaged in public practice by offering or providing <i>accountancy services</i> and/or <i>bookkeeping services</i> to the public, or holding themselves out to provide <i>accountancy services</i> and/or <i>bookkeeping services</i> to the public as:</p> <ul style="list-style-type: none"> <li>• a sole practitioner</li> <li>• a director of a limited company that provides accountancy or bookkeeping services and holds at least 5% of the shares* of the company; or</li> <li>• a partner in a partnership (whether salaried or equity and holds at least 5% of the shares*; or</li> <li>• a member of a limited liability partnership (designated and non-designated members) that provides accountancy or bookkeeping services and holds at least 5% of the shares*</li> <li>• a principal in any other corporate entity that provides accountancy or bookkeeping services and holds at least 5% of the shares* of the entity.</li> </ul>

	* Shares belonging to anyone in the member's <i>household</i> or <i>family</i> are treated as belonging to the member.
<i>specific condition</i>	A condition or conditions on a <i>licence</i> imposed under Regulation 11 of the <i>Licensing Regulations</i> .
<i>student</i>	An individual <i>Registered</i> under the <i>AAT Regulations</i> holding <i>student</i> status.
<i>work experience competencies</i>	Demonstration of proficiency in the workplace against specific outputs including technical and personal effectiveness abilities.



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