

AAT Accounting Systems and Controls Course Book

For assessments from 1 September 2016

Chapter 2 - 4.4 Statement of cash flows (page 32)

"Operating activities (net profit for the period plus changes in current assets and liabilities excluding cash)" should read: "Operating activities (net profit for the period plus changes in current assets and liabilities excluding non-cash items)"

Chapter 2 - 4.6 Ratio analysis, Illustration 5 (pages 34-35)

Operating profit % comments from ratio analysis should read: "Arlo Ltd has increased its net margin by even more than gross margin in 20X2."

20X1 inventory holding period should read 45 days (not 44)

20X2 trade receivables collection period should read 32 days (not 31)

20X1 Working capital cycle should read 41 days (not 40).

20X2 Working capital cycle should read 43 days (not 42).

Chapter 3 - Test your learning (page 82)

The contents of the "Type of security control" column (physical access control, etc) are the answers and should therefore be removed from the question.

Chapter 4 - 6.2.2 Control activities (pages 98-99)

The two bullet points at the bottom of page 98 ("sales receipts..." and "customer remittance advices..") should be inserted as control activities for *Record all money received* at the top of page 99.

Chapter 4 - Test your learning - Question 1 (page 113)

The contents of the "Type of control activity" column (physical control, management control, etc.) are the answers and should therefore be removed from the question.

Chapter 5 - 1.1 Misappropriation of assets (page 118)

Third bullet point should read: "Teeming and lading (misallocating receipts to different customers to disguise the misappropriation of receipts)".

Chapter 5 - Activity 5: Payroll system fraud (page 135)

Paragraph six should read: "Unofficial recruitment of new staff - all recruitment has to be officially documented;"

Chapter 6 - 2.3 Benefits (page 145)

First paragraph should read: "There should be at least some tangible and intangible benefits of suggested changes to the accounting system, otherwise there is no point making them!"

Test your learning: answers - Chapter 6: Making changes to systems (page 163)

The answer to question 4 begins "In the process of integrating its accounting system...". The number 4 should therefore be moved up one paragraph to denote this.

CCC scenario and analysis (pages 167 & 169)

Where "Y" is used as part of a year (e.g. 20Y4), it should be replaced with "W"; i.e. 20Y4 becomes 20W4.