



# AAT

## Business Awareness

### Pocket Notes

These Pocket Notes support study for the following AAT qualifications:

AAT Diploma in Accounting – Level 3

AAT Certificate in Bookkeeping – Level 3

AAT Diploma in Accounting at SCQF Level 6



## **British library cataloguing-in-publication data**

A catalogue record for this book is available from the British Library.

Published by:  
Kaplan Publishing UK  
Unit 2 The Business Centre  
Molly Millars Lane  
Wokingham  
Berkshire  
RG41 2QZ

ISBN 978-1-83996-076-5

© Kaplan Financial Limited, 2021

Printed and bound in Great Britain.

The text in this material and any others made available by any Kaplan Group company does not amount to advice on a particular matter and should not be taken as such. No reliance should be placed on the content as the basis for any investment or other decision or in connection with any advice given to third parties. Please consult your appropriate professional adviser as necessary. Kaplan Publishing Limited and all other Kaplan group companies expressly disclaim all liability to any person in respect of any losses or other claims, whether direct, indirect, incidental, consequential or otherwise arising in relation to the use of such materials.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of Kaplan Publishing.

**CONTENTS**

	Reference to Study Text chapter	Page Number
A guide to the assessment .....		1
<b>Chapter 1</b> The business organisation .....	1	5
<b>Chapter 2</b> The legal framework for companies and partnerships .....	2	15
<b>Chapter 3</b> Business stakeholders' interactions and needs .....	3	23
<b>Chapter 4</b> Organisational structure and governance .....	4	31
<b>Chapter 5</b> The role of the finance function.....	5	43
<b>Chapter 6</b> Risk and risk management.....	6	51
<b>Chapter 7</b> External analysis – the PESTLE model .....	7	59
<b>Chapter 8</b> The micro-economic environment.....	8	61
<b>Chapter 9</b> Sustainability .....	8	69
<b>Chapter 10</b> Professional ethics in accounting and business .....	8	75
<b>Chapter 11</b> Money laundering.....	8	81
<b>Chapter 12</b> Technology affecting business and finance .....	8	89
<b>Chapter 13</b> Data protection, information security and cybersecurity .....	8	99

<b>Chapter 14</b>	Information and Big Data .....	8 .....	103
<b>Chapter 15</b>	Visualising information .....	8 .....	107
<b>Index</b>	.....		I.1

## Preface

These Pocket Notes contain the key things that you need to know for the exam, presented in a unique visual way that makes revision easy and effective.

Written by experienced lecturers and authors, these Pocket Notes break down content into manageable chunks to maximise your concentration.

Quality and accuracy are of the utmost importance to us so if you spot an error in any of our products, please send an email to [mykaplanreporting@kaplan.com](mailto:mykaplanreporting@kaplan.com) with full details, or follow the link to the feedback form in MyKaplan.

Our Quality Co-ordinator will work with our technical team to verify the error and take action to ensure it is corrected in future editions.



## **A guide to the assessment**

### The assessment

BUAW is the business awareness unit on the Diploma in Accounting qualification.

### Examination

Business Awareness is assessed by means of a computer-based assessment. The CBA will last for 2 hours 30 minutes and consist of 7 tasks. Some tasks will require extended (human-marked) responses.

In any one assessment, students may not be assessed on all content, or on the full depth or breadth of a piece of content. The content assessed may change over time to ensure validity of assessment, but all assessment criteria will be tested over time.

### Learning outcomes & weighting

- |  |      |
|--|------|
| 1. Understand business types, structures and governance, and the legal framework in which they operate           | 25%  |
| 2. Understand the impact of the external and internal environment on businesses, their performance and decisions | 20%  |
| 3. Understand how businesses and accountants comply with principles of professional ethics                       | 20%  |
| 4. Understand the impact of new technologies in accounting and the risks associated with data security           | 15%  |
| 5. Communicate information to stakeholders   | 20%  |
| Total  | 100% |

### **Pass mark**

To pass a unit assessment, students need to achieve a mark of 70% or more.

This unit contributes 30% of the total amount required for the Diploma in Accounting qualification.