

# traineeGASSETTE

SUMMER 2010 NUMBER 2

The magazine for GFP part qualified accountants



## Boxing clever

Meet the GFP's AAT  
Student of the Year

**Inside** | Case studies: the qualifications explained | IFRS: put yourself to the test

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# TIMES, THEY ARE A CHANGING



Welcome to our second edition of Trainee Gasette. It would not have gone unnoticed that 2010 has been an exceptionally busy year thus far. A change of Government has always heralded new challenges, but this time there is an unprecedented spotlight on the Government Finance

Profession. Accountants will be highly sought after by departments to find and implement efficiency savings required to reduce the budget deficit as well as driving forward initiatives to deliver the business of government effectively.

Never before has there been a more important time to be a finance professional working in government. It

also is significant to note that some of our new ministers are qualified accountants. Undoubtedly, it's a fulfilling career that will yield returns both professionally and personally in the years to come. No wonder then that the numbers of GFP trainees are rising even as others pass all their exams and qualify.

In this edition, we feature case studies of colleagues who undertook their professional training with the various institutes. Find out what drives them and why they wanted to be finance professionals. If you would like to find out more about the opportunities for a career in the Government Finance Profession log on to the GFP website [www.thegfp-treasury.org](http://www.thegfp-treasury.org) or contact [David.Smith@hmtreasury.gsi.gov.uk](mailto:David.Smith@hmtreasury.gsi.gov.uk)

I hope you enjoy reading this issue. Please feel free to email me your feedback.

**Terry Rogers, Editor**

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## ABOUT TRAINEE GASETTE ISSUE # 2

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practical experience  
and breadth of  
knowledge”

Jon Thompson – Head of Government Finance Profession



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**AAT**  
**NEW AAT QUALIFICATION**



The AAT is introducing a revised accounting qualification – accredited through the Qualifications and Credit Framework (QCF) – from 1 July 2010. This new qualification will replace both the NVQ and diploma pathways. The changes were unveiled at the AAT lecturers’ conference. Education director Clare Morley explained that new technology



will play a leading part in the changes. The exams will all be taken on computers and, perhaps more importantly, ‘on demand’. The results will be issued earlier, too. Instead of a 10-week wait students are being promised their results in just six weeks. There is a transitional phase of 18 months for those studying under the current scheme.

**ICAEW**  
**PROFESSIONAL RESULTS OUT**



Results for the 1,500 aspiring young professionals who sat the ICAEW exams in March

have now hit the streets. Some 392 PQs passed the Professional Stage at the session, with 121 of these not failing any of the six papers on the way. They now move on to the Advanced Stage.

The vast majority of ICAEW trainees sat just one paper at the sitting. Of these, some 71.1% passed the paper. The ICAEW’s executive director of learning, Mark Protherough, said: “Once again we are delighted with the overall high standard for this round of the exams. It is also

pleasing to see a high number of candidates from smaller firms achieving top positions in the Subject Orders of Merit.”

**ICAEW Professional paper pass rates**

- Business Strategy** 78%
- Financial Reporting** 72%
- Financial Accounting** 88.3%
- Audit & Assurance** 78.3%
- Taxation** 87.6%
- Financial Management** 75.1%
- Financial Accounting Top-up** 77.4%

**CIMA**  
**ARE YOU LEADERSHIP MATERIAL?**



Communication, problem-solving and business competencies are seen as the skills that finance professionals most need to improve and focus on, says new research from CIMA. This reconfirms the message that accountants who want to get ahead in business must not overlook ‘softer’ and commercial skills if they want to get up the leadership ladder. The study found that when recruiting future business leaders personal characteristics, experience and professional qualifications were rated substantially more important than university



degrees or postgraduate qualifications such as MBAs. Interestingly, some 76% of senior finance management claimed they support staff by paying for exams and course fees plus study leave. Yet only 29% of respondents had actually received that support. CIMA felt that although the facilities are available in theory and the policy of many organisations allow this support, according to the research it is not necessarily applied in practice.

**ICAS**  
**ICAS GOES PUBLIC**



ICAS has decided to make its disciplinary tribunals ‘public’. The Scottish institute has been slower than some of the other bodies to open up its procedures to public scrutiny. At a special meeting members voted by over 1,000 to just 81 in favour of public hearings. It has been reported that the Financial Reporting Council was putting on pressure for the body to move with the times.

**CIPFA**  
**CIPFA ABOLISHES EXEMPTION FEES**



Students and members of the AAT will not have to pay a fee for examination modules to CIPFA from which they are exempt. The announcement applies to all exams scheduled between 1 May to 24 September 2010 and will save students up to £300. CIPFA is currently the only accountancy body not to charge such fees. It will be interesting to see if any of the other bodies follow suit. AAT full members are eligible for exemptions from the Financial Accounting and Management Accounting modules in the CIPFA exams, as well as Taxation if they have passed the relevant AAT tax modules. The remaining 10 papers can all be completed within two years. AAT members are also exempt from 200 of the 400 work-based experience days required to be demonstrated as part of the Initial Professional Development Scheme.

**ACCA**  
**GROWTH CONTINUES APACE**



The ACCA just can’t stop growing, despite the economic conditions! The global membership of the ACCA now stands at 140,000, a growth of 6.5% from the 31 December 2008 figure of 131,500 members. Student numbers have increased from 366,000 to 404,000 a rise of 10.4%.



ACCA chief executive Helen Brand says: “The ACCA has made significant contributions to the public debate on matters of world importance, such as the agenda of the G20 nations and in particular their call for the adoption of international accounting standards, CO15 and climate change, the value of audit, financial regulation and access to finance.” She felt the healthy growth during such tough times shows how

attractive accountancy is as a global career.

**ACCA by numbers:**  
**December 2008 to March 2010**

	Members	Students
<b>Asia Pacific</b>	40,825	103,254
<b>Europe &amp; Americas</b>	88,308	151,666
<b>Middle East, North Africa and South Asia</b>	2,720	69,526
<b>Sub Saharan Africa</b>	8,372	79,597
<b>Total</b>	<b>140,225</b>	<b>404,043</b>

# TEST YOURSELF

Are you up to speed when it comes to international standards? Here are 10 questions about IFRSs to test your knowledge

- 1 How many standards currently deal with accounting for financial instruments?
- 2 How should transaction costs relating to the acquisition of a subsidiary be dealt with under IFRS?
- 3 Would you expect the fair value less costs to sell of an asset to be greater or less than its value in use, in calculating the recoverable amount of an asset?
- 4 What is REPO 105?
  - (a) A repossession order applied by a mortgage company for non-payment of payments due.
  - (b) A method of creative accounting used by the now defunct Lehman Brothers.
  - (c) A new indie band doing the rounds of the club scene.



- 5 How should a sale and finance leaseback be accounted for in accordance with IAS 17 Leases?
- 6 How should servicing fees included in the price of a product be accounted for?
- 7 True or false? Major inspection costs of

a recognised asset are expensed as incurred under IFRS.

- 8 How should the change in a value of a recognised decommissioning liability be accounted for under IFRS?
- 9 How should an entity account for Share Appreciation Rights (SARs) under IFRS?
- 10 True or false? A government institution following IFRS must disclose all other government institutions as related parties. ■

• If you would like to improve your knowledge of IFRS, study for the ACCA's Diploma in International Financial Reporting with ATC International. ATC International is the only official publisher of materials for the DipIFR qualification. To find out more visit [www.atc-global.com](http://www.atc-global.com) or email [diploma@atc-global.com](mailto:diploma@atc-global.com).

1 As of 2009 there are four standards that deal with financial instruments. They are:

- IAS 32 Financial Instruments – Presentation.
- IAS 39 Financial Instruments – Recognition and Measurement.
- IFRS 7 Financial Instruments – Disclosure.
- IFRS 9 Financial Instruments.

The IASB issued IFRS 9 in 2009 with the intention of simplifying accounting for financial instruments. The standard currently only covers the classification and measurement of financial assets, it is not compulsory until 2013. The intent of the IASB is to gradually replace the other standards with a complete version of IFRS 9.

2 Prior to the 2008 version of IFRS 3 transaction costs were included in the cost of investment. IFRS 3 now requires that all transaction costs associated with the acquisition of a subsidiary be written off as incurred. This has the impact of reducing the cost of investment and therefore reduces the amount of goodwill recognised in an acquisition.

3 In most situations the answer would be less than. The value in use of an asset is the present value of the future cash flows associated with the asset and will include any cash flows from the ultimate disposal of the asset. Fair value less costs to sell is self explanatory. For a going concern it would be expected that the assets will generate greater cash flows from their continuing use.

4 Answer (a). REPO 105 is the name applied to the sale of risky assets for a short term basis in return for cash. It enables a company to de-recognise those risky assets from their statement

of financial position, changing the structure of the statement. Such transactions are illustrated in Q1 and Q2 2008 financials of Lehman Brothers.

5 The sale should not be recognised and the asset should not be de-recognised; the asset should be re-measured to fair value and any notional profit should be deferred and recognised through profit or loss over the period of the lease. A corresponding liability should be recognised based on the fair value of the asset. Many accountants argue against this treatment, saying that the substance of the transaction is that of a loan and all that should be recognised is the liability.

6 If the selling price of a product includes an amount for future servicing that amount should be deferred and recognised as revenue over the period during which the service is performed. The amount deferred is that which will cover the expected costs together with a reasonable profit element for the service provided. (Appendix to IAS 18 Revenue refers.)

7 False. Costs associated with the major overhaul or inspection of an asset are capitalised into the cost of the asset when incurred (IAS 16 Property, Plant and Equipment). These costs will then be depreciated over the period to the next major inspection. Examples of this type of cost include the overhaul costs of a ship when it comes into dry dock. The day to day maintenance costs related to the asset will be expensed as incurred.

8 A decommissioning liability should initially be recognised at the present value of the future cash flow (IAS 37 Provisions, Contingent

Liabilities and Contingent Assets). The changes in liability could be due to one of four factors – the passage of time, change in the original estimate, change in timing of the cash flow and changes in interest rates. Any change due to the passage of time is a finance cost, sometimes called “unwinding of the discount”, and is expensed as incurred. For the other factors the accounting treatment depends on whether the cost or revaluation model is used to account for the related asset. If the cost model is used then the change in provision is adjusted against the cost of the asset; if the revaluation model is used then the adjustment is taken to the revaluation reserve.

9 IFRS 2 Share-based Payment classifies SARs transactions as cash-settled transactions. They should be recognised as a liability as the entity has an obligation to pay staff employees a cash payment as the share price increases. The entity should recognise a liability, with a matching expense, for the estimated value of the payment. Any change in the estimated liability will be recognised as an expense or credit, to profit or loss.

10 IAS 24 Related Party Disclosures was amended in 2009. One of the amendments relaxed the requirement for some government institutions to disclose related parties. In some environments where government control is pervasive, such as China, it would be virtually impossible for an agency to be able to disclose all of their related parties. The IASB has therefore removed this requirement under certain conditions.

# Keeping your options open



We spoke to Iain Banfield about the CIPFA qualification and how its flexibility has helped him to progress his career in government

IAIN BANFIELD ENROLLED for the CIPFA qualification on the recommendation from his employer, the Department for Business, Innovation and Skills (BIS), and UK Trade and Investment (UKTI). They saw the CIPFA qualification as an ideal fit with his current role at BIS and UKTI, as well as widening his horizons for career progression.

Iain's aim when starting the course was to continue working in policy but with a better appreciation of financial management. However, the past three years have started to convince him that a more specialist career in finance and corporate services could be equally rewarding. The benefit of having the CIPFA qualification is that both are now an option. "In the current economic climate, professionally, developing my financial skills makes a huge amount of sense," said Iain. "Whether I stay in

finance or move further afield, being CIPFA qualified is a real selling point for any potential employer and can only become more so as the public sector starts to respond to the challenging financial environment it faces."

## VALUE FOR MONEY

And Iain would have no hesitation in recommending the qualification to others in his situation (he's Head of Finance & Performance in Sectors Group, UK Trade & Investment). "The public sector is all about ensuring value for money for the taxpayer so the challenges and sense of reward for its finance community are huge."

The course challenged Iain's preconceived ideas about accountancy. He added: "There is more to it than just balance sheets and there are wide benefits any organisation can gain from

having professionally qualified finance staff.

"I also found the breadth of the course a welcome surprise with modules involving leadership, management, economics and politics providing a much broader experience than I was originally anticipating from an accountancy qualification."

For Iain, being a CPFA goes far beyond the obvious numerical skills. His ability to analyse situations based on evidence and think inventively has been strengthened by the course. This, he believes, is hugely advantageous to any organisation.

"Being CIPFA qualified does also, of course, provide a certain amount of external credibility," he said. "There have been a surprising number of examples of how the CIPFA qualification has enhanced my day job, despite the fact that none of the jobs I have had whilst doing the qualification, have been traditional accountancy roles."

## REAL BENEFITS

He added: "I think it's when the ideas you pick up in the classroom stop being academic theories and start to help you instinctively find solutions to practical problems that the real benefits of the course comes to light."

He studied for the qualification at the CIPFA Education and Training Centre (CETC). "For me, the syllabus certainly seemed far more digestible in a classroom environment," Iain said. "The ability to discuss and probe the issues with tutors and classmates made learning far easier".

Iain gives praise to his employer for supporting him through the qualification. "Both the BIS and UKTI have been extremely supportive in terms of encouraging me to do the qualification, and subsequent line managers were flexible when I needed time to study," he said. And, such was Iain's success that he was awarded the Arthur Collins Memorial Medal for the best overall case study and strategic business management.

Iain's current job involves helping UK companies to internationalise. Day to day, he is involved in setting budgets, monitoring performance, helping procurement decisions, developing training plans and offering finance advice. It is aimed at making sure that, as an organisation, UKTI can provide as good a service as possible to its customers – UK companies – and help them win business overseas. ■

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'The breadth of the CIPFA Professional Qualification encompassing leadership and strategy, as well as traditional financial disciplines and skills, provides a broad base of knowledge essential to be a finance manager and leader in the future.'

**Jon Thompson, Head of the Government Finance Profession and Director General Finance, Ministry of Defence**

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\* Source: Accountancy Age UK Salary Checker 2009

\*\* Free exemptions are available between 1 May – 24 September 2010



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# The road to chartered accountancy

**Life is never dull in the fast lane of the Highways Agency – just ask Will Barnes, the HA's very own 'ghost-buster'!**

WHEN WILL BARNES opted for a public sector finance career he didn't anticipate a night spent following headless ghosts around, while trying to communicate by torchlight. "When you sign up for an accountancy qualification you never dream that you will end up on the moors, spending all night in the freezing cold," he says. Yet that's just what he and his fellow graduates did as part of a leadership and team-building event. Most of the time, Will's life as a trainee accountant with the Highways Agency (HA) is less surprising, but there's never a dull moment.

"Having worked at the HA for more than a year now, I can't really say that there has been a typical day," he reports. Will has already visited all eight of the agency's offices and experienced various functional areas. "I travelled around while involved in a project analysing the HA's Private Finance Initiative schemes," he says. "I've also worked with the transaction teams, such as accounts payable, had a role in year-end accounts preparation, and managed a project to migrate the agency's bank accounts from the Bank of England to two new commercial banking suppliers."

The opportunity to work on varied and significant projects, were among the things that first attracted Will to the HA. "Its primary functions are to manage traffic, tackle congestion, provide information to road users and improve safety and journey time reliability, while respecting and minimising the environmental

impact," he explains. "The HA is accountable for over £80 billion of assets, and more than £6 billion of capital and current expenditure each year," he adds, "so there are plenty of challenges and my ACA training has provided me with the knowledge and skill set



in which to meet them in an appropriate and professional manner."

While he was at the University of Wolverhampton, studying for his accounting and finance degree, Will undertook a work placement with the NHS which fired his enthusiasm. "I was in the finance department at Telford & Wrekin Primary Care Trust, where I spent two years," he explains; he also worked there part-time during his final degree year. "The role was to provide support to the senior management accountant," recalls Will. "However, most of the first year was taken up working on the changeover to the Oracle Business Suite as the trust's finance and procurement package."

This was a great opportunity for Will: it gave him a real insight into the finance profession, confirmed his choice of a career in accountancy, and helped him to choose the area he wanted to work in. "I was keen to remain in the public sector as opposed to working for an accountancy practice or in industry," he recalls, so he explored his options. "The Highways Agency graduate scheme appealed as it offered the highly regarded ACA qualification, a generous holiday entitlement, various training opportunities and high levels of support and guidance," he adds, "so when I was offered the job I was always going to accept."

Will needs to carefully manage his time in relation to his studies and his job. "Working in the public sector tends to offer greater flexibility in terms of working hours, allowing you to balance your responsibilities both inside and out of work," he says, and he has the support of his fellow graduates at college. "There is a great sense of camaraderie, and there is always a friendly face to talk to," adds Will.

So does the ACA trainee have any advice for others who are aspiring to be chartered accountants? "See if you can undertake some work experience," he says. "It will give you a taste of what to expect and whether you will enjoy it, and it will look good on your CV." Before you know it, you could be following in Will's footsteps – just don't be disappointed if you don't encounter headless ghosts! ■

# A foreign affair

Having turned her back on a career in interior design, award-winning Jessica D'Aulerio, 25, is enjoying the variety of life the FCO offers her

AFTER LEAVING SCHOOL at 16, Jessica D'Aulerio's first career choice was not accountancy but interior design. With that in mind, she signed up for a course at Regent Academy in London, but her design career was put on hold when she moved to Australia with her family shortly after completing the course. When she returned to the UK 12 months later Jessica found herself at a crossroads, facing the challenge of choosing which career path to take. Deciding against interior design, she worked for various firms until a temporary finance role in the Foreign and Commonwealth Office (FCO) arose, based at Hanslope Park, Milton Keynes. Jessica discovered that a career in finance was both rewarding and interesting, and she was delighted when her position of accounts clerk in the Resource Accounting Department was made permanent after a year.

Eager to gain some relevant qualifications, Jessica applied to study the AAT qualification under the FCO's professional finance training scheme. "I felt the qualification would enable me to progress up the ladder within the department and the FCO as a whole," she says. Her employer allowed Jessica to study the AAT on a part-time basis, on day release at Milton Keynes College, and she studied it over three years,



completing Level 4 in August 2009. Once she had qualified as an accounting technician, the role of head of accounts receivable became vacant at short notice. Jessica took this opportunity to take on a busy team within the department on a temporary basis at first and then when the role was advertised, applied and was given the job on a permanent basis. Jessica has now been working at the FCO for over six years.

"I would recommend the AAT qualification to anyone considering a career in finance. It offers such a strong base to build up accounting skills, from the very basics to the more complex

Open the box... Jessica receives her prize after being named the Government's Accounting Technician of the Year from Kate Silverton

management accounting modules. Students gain a great understanding of finance, which can be transferred through to all types of finance careers."

Her current role includes managing all sales invoicing, debtors and money coming in. "The most important task, as in any accounts receivable department, is to ensure debtors clear their debts on time and that we keep up good working relationships with our customers," Jessica explains. Managing six members of staff, Jessica regularly liaises with other government departments and travels to London for meetings occasionally.

"My boyfriend launched his own business 18 months ago and I have recently become a director and company secretary, so my time is spent between work and the business. It's very exciting to see the business grow," she says.

Jessica is a member of the AAT and intends to go on to become chartered. Last year, she was named the Government's Accounting Technician of the Year at the 2009 Government Finance Profession Awards, which was presented by BBC newsreader Kate Silverton. According to her bosses at the FCO, Jessica stood out when she worked on complex bank reconciliations and demonstrated the ability to think beyond the task in hand.

Jessica's professional achievements have already caught the attention of her peers, and her sights are clearly set on a successful career in finance. ■

## THE GFP PRESENTS...



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## Meet Joanne Moore, an HMRC trainee accountant who's enjoying the challenge and experience of working in different parts of the country

JOANNE MOORE OF THE Business Tax Directorate at HM Revenue & Customs (HMRC) is just over half-way through her training contract with HMRC. She is also half-way to achieving her ACCA qualification.

She started her training contract with HMRC, as a trainee accountant, in September 2007, and is currently on her third of four 12-month placements. Joanne explains: "The training contract has been great. It gives me the opportunity to work in different parts of HMRC and experience different sides of their business. My current placement is in London, having completed the previous two in Worthing, it's been good to experience working in the different offices that HMRC have as well as in the different directorates."

Having graduated from her home town university, Portsmouth, in 2005 with a BA in Business Administration, her route into accountancy has been more by accident than design. After being made redundant by a telecoms company Joanne took a role with a firm of solicitors working in their debt recovery department. Joanne says: "When I left university I wasn't really sure what I wanted from my career. Being made redundant made me focus on what I wanted. I'd had very little exposure to finance during my degree so while I was at the solicitors I approached them about sponsoring me through the AAT route. It seemed the natural step to look towards gaining professional qualifications as I was dealing with client accounts on a daily basis.

"Having completed AAT, being accepted onto a training contract with HMRC was a thrill for me. I needed to continue studying and go on and complete my professional qualifications. I looked at CIMA and ICAEW but ACCA



# Sailing on a voyage of adventure



suited me the best out of the three. It had the flexibility I wanted from my studies; it was a qualification that had a combination of being both industry and practice based, which was what I needed working in an environment such as HMRC.

"HMRC has a fantastic system in place for trainees, and is tremendously supportive. Not only are they fully funding my studying – which is obviously a big help – but they give you time off to study and attend courses. The ACCA qualification is demanding and I'm learning new things all the time.

"The biggest help the HMRC has given me is that they have an excellent mentoring programme, having someone there to help you. The mentors only look after one or two students at a time so

they can really give you the time you need while going through the qualifications. At the start, we put a plan together that helps guide you through the whole process. That way we know where we should be, and if things aren't going to plan it helps me get my studying back on track. My mentor has been through the process and so knows the challenges I'm facing and how to help me reach my goals."

Joanne hopes to finish her ACCA qualification in June 2011. "I've completed my first seven exams and have two more in June this year and then another year of studying and I'll hopefully be fully qualified."

She adds: "Once I've qualified I'd like to stay at HMRC, I've enjoyed the two-and-a-half years so far." ■

**'HMRC has a fantastic system in place for trainees, and is tremendously supportive'**

# Looking to the future

Completing a professional qualification is never easy. The classes, the revision, the exams – all often squeezed in around going to work. It can be so all-consuming that what to do after qualification is often a decision put on hold. So what are your options?

## WHERE TO START?

For a lot of newly qualified AAT students, progressing to full membership is very often a first step and a valuable tool in developing their career.

As a full member of the AAT you can use the letters MAAT after your name. Recognised throughout the accountancy profession and across the wider business world, the letters demonstrate your skills, knowledge and professionalism. Being a full member could increase your earning power, too. In fact, on average, the salary of many AAT full members is higher than that of those people who only complete the AAT accounting qualification.

But there's much more to AAT full membership than letters after your name. The AAT can help you to keep your skills fresh, make the right decisions and save money with a wealth of exclusive support honed from more than 25 years' experience in the field.

Full membership makes keeping your skills up-to-date easy. The AAT provides many opportunities to continue your professional development – helping members keep their accountancy knowledge fresh and sharpen their wider business skills. Full members are asked to complete the continuing professional development (CPD) they need to maintain their competence. This gives their employer or clients a guarantee of their commitment to ongoing professional improvement.

There is also an extensive branch network designed to organise relevant training opportunities, too. The AAT's network of more than 40 branches in England, Scotland and Wales – as well as another six internationally – are run by members for members. There is also a benefits scheme – Additions – where members can save on everything from insurance to IT training, gym membership and holidays.

■ For more information on AAT membership visit [aat.org.uk/members](http://aat.org.uk/members).

## THEN BE CHARTERED...

After becoming a full member of the AAT progression to studying for a chartered accountancy qualification is very often a path taken. However, many find the sea of acronyms and terms not very helpful in making a decision. So, what are the options on offer? Here's a brief guide.

### INSTITUTE OF CHARTERED ACCOUNTANTS OF ENGLAND AND WALES (ICAEW)

Successful students of the ICAEW become an Associate of the Institute of Chartered Accountants in England and Wales (ACA) on qualification. ACA is regarded as one of the leading business and finance qualifications, and is recognised and valued in practice, industry, commerce and the public sector. To achieve the ACA, students must



complete a training contract, which will last between three to five years, pass the ICAEW's Professional Stage and Advanced Stage examinations and complete work experience requirements. ■ For information visit [www.icaew.com](http://www.icaew.com).

### INSTITUTE OF CHARTERED ACCOUNTANTS OF SCOTLAND (ICAS)

ICAS is the world's first professional body of accountants, receiving its Royal Charter in 1854. It was the first to adopt the designation 'chartered accountant' (often abbreviated to 'CA').

Students of its CA qualification gain a high standard of achievement over a three-year training period. A wide range of skills and disciplines are developed through a mixture of practical classroom study and the successful completion of targets related to work-based experience. ■ For information visit ICAS' website at [www.icas.org.uk](http://www.icas.org.uk).



#### **CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY (CIPFA)**

CIPFA is one of the leading professional accountancy bodies in the UK and the only one which specialises in the public sector. Its professional qualification has been designed in three stages and developed to dovetail with a trainees

work placement and practical work skills. The three levels are:

**Certificate Level:** The modules at this stage are the building blocks of any career in accountancy or financial management. Subjects covered include double-entry bookkeeping, preparing and interpreting financial statements and management accounts.

**Diploma Level:** Building on knowledge gained at certificate level, the diploma focuses on specific public sector business skills and financial topics. It covers areas such as government accounts procedure, public sector reporting frameworks and public sector borrowing.

#### **Final Test of Professional**

**Competence:** This is the last stage in becoming a chartered public accountant. It is the culmination of all the skills learnt throughout the qualification and gives students a more focused strategic financial management overview of running major projects and large complex organisations.

■ For more visit [www.cipfa.org.uk](http://www.cipfa.org.uk).

#### **CHARTERED INSTITUTE OF MANAGEMENT ACCOUNTANTS (CIMA)**

CIMA is a leading membership body that offers a globally recognised professional management accounting qualification. Its qualification is designed to give management accountants an excellent understanding of finance and business that they can use to shape the future of their organisations.

To qualify as a chartered management accountant students need to:

- Complete the CIMA Certificate in Business Accounting or another exempting qualification.
- Complete the nine exams at three levels – operational, management and strategic – which form the CIMA Professional Qualification.
- Gain three years' relevant practical

experience and send their 'Career Profile' to CIMA for approval.

- Pass the Test of Professional Competence – T4

■ For more visit [www.cimaglobal.com](http://www.cimaglobal.com).

#### **ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS (ACCA)**

The ACCA is a global body for professional accountants. It aims to offer business-relevant qualifications to people of application, ability and ambition who seek a rewarding career in accountancy, finance and management. It offers a range of core qualifications. These include the ACCA qualification, which has a strong focus on professionalism and ethics in accounting.

As part of their ethical development towards membership, students are required to complete a Professional Ethics module in addition to passing 14 exams (nine of which are eligible for exemption) and three-years' relevant practical experience.

Uniquely, through its partnership with Oxford Brookes University, ACCA offers students the opportunity to study for a BSc Honours degree in Applied Accounting, either while they complete their studies or after qualification.

■ For more information visit the website at [www.accaglobal.com](http://www.accaglobal.com).

#### **GET YOUR EXEMPTIONS**

As the AAT is recognised by each of the UK's chartered and certified accountancy bodies, AAT membership offers generous exemptions or fast track routes to qualifications with ICAEW, ICAS, CIPFA, CIMA and the ACCA.

Gaining exemptions means students start their studies at the most appropriate level according to their knowledge and skills and, more importantly, avoid studying subjects that they are already familiar with. ■



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**PQ** magazine

# Mothers of invention

The DWP's Kim Clegg likens accountants to inventors and developers, always looking for ways to innovate to improve their businesses

THE DEPARTMENT FOR WORK and Pensions exists to promote opportunity and independence for all through modern, customer-focused services. DWP helps people to achieve their potential through employment, so that they are able to provide for their children and to work and save for a secure retirement.

Just about everyone in Great Britain will deal with the department or one of its eight businesses at some point in their lifetime. DWP businesses include Jobcentre Plus, the Pension Service, Child Support Agency, Disability and Carers Service, the Health and Safety Commission, Health and Safety Executive, the Rent Service and Debt Management.

Sometimes it can be tough being an accountant and it can be even tougher being an accountant in the Civil Service. "I can remember a number of occasions when I've told people what I do for a living and you could see their eyes start to glaze over," laughs Kim Clegg, a senior finance professional at the DWP. "The perception is that accountants are rather grey individuals anyway, but when you're an accountant and a civil servant, that's about as grey as you can get."

However, Kim is living proof that being a management accountant in the DWP is anything but dull. Since becoming a CIMA member her career has flourished. "The broad business



focus of my qualification has given me great opportunities to work on all sorts of different projects and to influence and develop the strategic directions of the organisations I've worked in," she says. "Accountants in government need to be dynamic and they're now working from within the business at the heart of issues such as consultancy, strategy and business planning," she continues. "We're not limited to the calculator or spreadsheet. You're more likely to find me drafting business policy than pulling numbers together."

Kim began her career 25 years ago this year as a direct entrant to the Civil

Service when she left university. She started her career in IT and re-skilled in 1993 by studying for her CIMA qualification. She joined the public sector because she appreciated the variety of roles she could potentially have without ever changing employer.

She has been head of finance for both the Foreign and Commonwealth Office and the Government Actuary's Department and is now a senior finance business partner at the DWP's employment agency, Jobcentre Plus.

She says each of the roles has been both challenging and rewarding. "Some people may still see management accountants as number-crunchers," she continues. "But really we're more like an eccentric bunch of inventors and developers who are always looking for ways to make our business – whether it's in the public or private sector – work better, faster and more effectively. And that's particularly important when you're using taxpayers' money."

Kim's current role is to advise and guide operational managers on how to get the best value for money from their staff and financial resources. She has a team of financial business partners in various counties across England and it is their responsibility to challenge resource requirements and ensure efficiency of the key elements of productivity and performance.

A common misconception about Kim's role, and accountancy in general, is the assumption that accountants are all bean-counters. "It's only more recently that management accountants are starting to be seen as part of the management team," she says.

Kim enjoys the having the ability to influence and change decisions by providing evidence and suggesting different options, so influencing the organisation as a whole. The skills gained from the CIMA qualification allow people to be so much more than an administrator with practical experience – "you are a management accountant rather than just focusing on reporting," says Kim.

Kim has very clear guidance when asked what advice she would give to future students thinking of starting studying towards the CIMA qualification. "Don't think of it as a numbers game. Think of it as a way of getting your place at the management board table and eventually becoming chief executive of a company." ■

**'Accountants in government need to be dynamic and they're now working from within the business at the heart of issues'**



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Find out about CFAB today.



# Working together to transform public sector finance

CIMA, the Chartered Institute of Management Accountants, has 172,000 members and students working in a variety of business sectors, including over 8,000 in the UK public sector alone. CIMA numbers continue to grow as organisations recognise the critical need for a more commercial approach blended with public sector needs and accountabilities.

Major shifts in the world's economy are having a profound effect on the way that the public sector operates. The need to focus on delivering efficiency, effectiveness, best value and continuous improvement across all services has never been greater.

Public sector finance professionals must be at the leading edge of decision support, influencing new and innovative thought processes across all departments and ultimately adding greater value to the way the business performs and impacts on the bottom line.

To find out more about CIMA in the public sector contact [www.cimaglobal.com/gasette1](http://www.cimaglobal.com/gasette1) or email [gasette@cimaglobal.com](mailto:gasette@cimaglobal.com)

