



# ACAs in high demand

According to a recent survey by TMP Worldwide, although salary increases were generally fairly modest this year, competition for the best young finance specialists remains intense and is likely to maintain upward pressure on pay.

### Financial rewards

According to the survey, qualified ACAs command on average £11,000 - £13,000 more than their CIMA and ACCA qualified colleagues. In addition, the survey suggests that five years after qualification, ACAs can expect an average salary of £61,000 to £70,250, which is significantly higher than the average earned by members of other accountancy bodies.

### Study assistance

Not to be forgotten is the substantial support you continue to receive from your employers for your professional training in addition to your salary and other benefits. Most students receive paid study leave and in almost all cases, employers also pay for books, exam and course fees. It also appears that of all the professional accountancy students surveyed, ICAEW students are the most satisfied with the help they receive.

Taken together, this is good news for ACA students - it suggests you are receiving a high level of support during your training and on qualification will be in high demand and rewarded accordingly.

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## New Students Area on Website

The redesigned Institute website will go live at the end of September, including a dedicated student area bringing a significant improvement in your ability to access relevant and timely information about all aspects of your training.

Regular news updates will keep you in touch with new developments and remind you about those important exam entry deadlines. In addition you will be able to find contact details for your local student society and a range of information about the services the Institute provides to you as a student Chartered Accountant.

The new development has created a completely new and fresh-looking website for the whole Institute, and has enabled a focus on Education and Training information on the web for students. You will find all you need to know about the exams, including pass lists, past papers and examiners' comments, and essential information to help you through your training contract and work experience.

More features will follow in the coming months and we will welcome feedback on the new site in order that we can continue to improve the service we offer through the web.

So, from the end of September you can find the new students area at:

[www.icaew.co.uk/students](http://www.icaew.co.uk/students)

WITS

Education and Training Information

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# What will the Advanced Stage be like?

The Advanced Stage is the final stage of the new ACA. It is designed to equip you with the technical and strategic skills to become successful Chartered Accountants and business advisers. It emphasises the change in the traditional role of Chartered Accountants from number crunchers to business advisers, who add value to their employers and clients.

You will progress onto the Advanced Stage, having equipped yourself with a strong technical grounding at the Professional Stage. The Advanced Stage builds on this knowledge, focusing on the application of technical knowledge and professional judgement, commercial awareness and communication skills.

These skills can be developed in the work environment and reinforced in the classroom. This strong link between learning and work experience is an integral feature of the Advanced Stage. The greater correlation between practical experience and exam study means that in the long term we expect pass rates for the final level of the ACA examinations to rise.

One of the key steps in integrating work experience and exam study

has been to change the traditional approach to studying. 'Advanced' technical skills are no longer taught separately by subject, but together as part of a holistic approach to the business environment and business life cycle.

This is a logical move, given the practical work experience undertaken in a training contract. In reality, students are expected to identify all issues relevant to a particular business scenario, not simply just the financial reporting issues for example.

Students who are able to apply the professional skills they develop throughout their training contract to their classroom study are likely to achieve exam success.

There are three components to the Advanced Stage: work experience; the Test of Advanced Technical Competence (TATC); and the Advanced Case Study (ACS).

## TATC

The TATC, which comprises two exam papers, aims to assess knowledge and the application of knowledge. Students will be presented with a number of different scenarios in each exam paper. The scenarios are real life business problems and the questions require those problems to be addressed accordingly.

Students will be rewarded for recognising key issues, identifying the options open to clients, and deriving technically correct answers.

## ACS

The ACS aims to test professional capabilities by presenting students with a typical situation in which Chartered Accountants might find themselves. It is based on the concept of a Chartered Accountant attending a meeting concerning a particular transaction, which is attended by a client and possibly other advisers. In reality, a Chartered Accountant would expect to receive some material in advance of such a meeting, carry out some preparatory work beforehand and refer to it during the meeting. It is equally probable that they would not know the questions they will be asked during the meeting, would perform tasks as a result of the meeting, and would be expected to discuss and advise on relevant matters.

The ACS aims to assess students in a realistic business context. Prior to the exam, students will receive some information about the case study including financial data, business and management structures and industry-specific information. Where appropriate, they will also receive technical data on specialist topics (e.g. charities, pension providers etc.) and details

of the personnel involved in the case.

As in a real life situation, students are given the opportunity to familiarise themselves with the information provided and undertake any research and analysis they feel appropriate. Students won't be expected to spend more than two days working on this material and will be able to take the results of their work into the exam room with them. This realistic approach means that students are encouraged to use their professional judgement in the exam, rather than regurgitate information 'crammed' the night before.

### How to Pass

As soon as students are eligible for the Advanced Stage they are sent 'The Advanced Stage – How to Pass'. This has been designed to provide students with vital information about the Advanced Stage, including differences between the Professional Stage and Advanced Stage, how to prepare for the Advanced Stage and what the examiners are expecting from candidates.

### Exam regulations

The rules for sitting the exams are fairly flexible. There are no minimum number of papers which must be sat at each attempt. Therefore a student could choose

to take one exam, or all three in the same sitting. Students must attempt TATC1 before TATC2 and the exam timetable has been organised to enable this to happen. Also, the ACS can only be attempted after students have started the last year of their training contract.

### Learning Materials

An understanding of both the business environment and the dynamics of the business life cycle are essential to become an effective business adviser and so the learning materials approach business issues within that framework. For ease, students preparing for the Advanced Stage will find most of the learning materials contained within two manuals.

The first manual contains information on the business environment and the contents of the second relate to the business life cycle. Consistent with the new approach, the manuals are organised by business issue rather than by technical subject. As well as the learning materials, there are also progress tests and practice questions for students to work through at the appropriate stage of their studies.

The pilot exam paper(s) for the Advanced Stage are now available on the website for you to

download. If you do not have access to the internet you can obtain copies by calling the student support team on 01980 248040.

This new approach ensures that qualified Chartered Accountants will have formally proved their ability to provide insightful, accurate and added value advice to clients. The first exam sitting for the new Advanced Stage is due to take place in November.

### Transitional Arrangements

Transitional arrangements are in place for students who have completed TC1. They are able to choose whether to sit TC2 or the Advanced Stage. Students who have completed any of the Professional Stage exams must progress onto the Advanced stage. Professional Stage students should note that completion of devolved assessments must be received by the ICAEW before they are eligible to sit the exams.

Further information on the new ACA is available on the website at [www.icaew.co.uk/students](http://www.icaew.co.uk/students). Alternatively, you can contact the Student Support Team during office hours:

 01908 248040

 [studentsupport@icaew.co.uk](mailto:studentsupport@icaew.co.uk)

# When the going gets tough!

Newly qualified Chartered Accountants have enjoyed a period of sustained demand from all sectors. There are signs that this is changing but this should not create any real worries in the hearts of those of you who will be qualifying soon. Any recession and employment downturn will still bring good opportunities. What it may require you to do is to think harder about your career planning and, if you do decide a move is required, work harder at your job search.

The two key factors are:

1. Assess carefully experience gained to date and, however attractive the alternatives, consider carefully the experience you can gain from your present employer. You have a lot of working life ahead, a further period as a 'qualified' may give practical experience you will value in the future and also the opportunity to consider more carefully the career route on which you ultimately want to embark.

2. If a move is required undertake this in a thought-out and planned manner. Namely:

- appraise experience to date, assess aptitudes

- look to build expertise for the future, when, for most, long-term goals are uncertain
- prepare a good CV, in particular think through and highlight achievements and contributions
- prepare for interviews, including delivering a succinct (90 seconds) answer to the question "run me through your career"
- plan your job 'marketing'. For most, recruitment agencies and advertisements should provide the right selection of opportunities. If you are targeting a specific sector (eg a move within public practice or into financial services) one good agency acting specifically on your behalf may be the best bet. Conversely, if you are exploring a range of opportunities you may need more agencies acting for you.
- make sure you have all the information you need before accepting a job offer. If required, request further interviews and, where possible, talk to other newly-qualifieds who have joined the organisation. Ensure you have a clear understanding of both the job content and the culture.

If you are not achieving the type of job opportunities you want consider:

- are your immediate goals, in

context of your experience, unrealistic?

- are you marketing yourself as well as you could?

In a contracted job market there will be more high quality people chasing fewer positions and you therefore need to ensure that you are presenting yourself at your best to be identified as a 'better than average' candidate. Another consideration in a tough job market is to be more proactive in your job search by looking to achieve opportunities through contacts and by direct approach to potential employers.

The future for young Chartered Accountants is and will remain good. It is up to each individual to make the most of it through planning and application to career management.

The Career Service provides impartial advice, in confidence, on any career or employment matter to Institute Members and Finalists. Contact:

 020 7920 8604

 dsbccs@icaew.co.uk

## Credit for Previous Ethics Training

You must undertake structured training in professional ethics. Note that this ethics training is over and above anything you cover while preparing for exams. Your training office will provide you with your ethics training, which may be in the form of the Institute's own CD-ROM. However, you may complete this Institute training programme before you start your training contract. In this case, you will subsequently be expected to demonstrate to your training office that you have

worked through the programme.

Our ethics training programme has been produced in conjunction with the Association of Accounting Technicians. So if you are an AAT member, you may already have completed the programme as part of your AAT training or Continuing Professional Development. If so, tell your Member Responsible for Training or Counsellor, who will expect you to demonstrate that you have worked through the programme.

For further information on ethics training, including a free taster of our programme, please visit [www.icaew.co.uk/studentethics](http://www.icaew.co.uk/studentethics). Your training office may purchase the package. It costs just £15 plus VAT for a multi-user licence. If you wish to order the package yourself, please contact us:

 01908 248040

 [studentsupport@icaew.co.uk](mailto:studentsupport@icaew.co.uk)

## Revisions to Ethical Guidance

You may be aware that the **Guide to Professional Ethics** has recently been revised. Statements now contain prohibitions and mandatory actions in **bold type**, for easier reference to situations which would constitute an insurmountable ethical problem. There are very few additional prohibitions.

Our ethics training CD-ROM, "Professional Ethics Training", refers to the 2000 edition of the Guide to Professional Ethics. The revisions to this do not have significant implications for the content of the CD-ROM.

The main revisions to the ethical code which relate to our CD-ROM are as follows:

Fundamental Principles 1 and 3 are slightly amended. However the spirit of those principles remains the same.

Fundamental principle 1 reads (additional wording underlined):

*"A member should behave with integrity in all professional and business relationships. Integrity implies not merely honesty but fair dealing and truthfulness. A member's work should be uncorrupted by self interest and not be influenced by the interests of third parties".*

Fundamental principle 3 reads (reworded):

*"A member should undertake professional work only where he has the necessary competence to carry out that work, supplemented where necessary by appropriate assistance or consultation".*

Our ethical guidance is currently under revision. For the latest information on ethics and a free taster of our training package, visit our website ([www.icaew.co.uk/studentethics](http://www.icaew.co.uk/studentethics)) or call the Ethics Advisory Services:

 01908 248258

## New Student Support team launched

On 1 August a new Student Support Team, within the Institute's Education and Training Department, was launched.

This new team aims to be a 'one stop shop' for student enquiries, handling all incoming communications from students registered with the Institute.

The team will handle all enquiries from students, ranging from registration and training contract queries and examination enquiries, through to the processing of requests for literature and support for a range of student events across the country.

The aim of the team is provide students with a more efficient service. Students who contact Education and Training frequently have several queries that they require answers to. In the past a

student phoning in for advice, for example on their training contract and examination eligibility, would have been passed to a number of staff within the department. The team's launch will see a simplification of this process.

In addition, the team aim to provide support to students through the introduction of Regional Student Forums, Student Surgeries and web-site discussion groups. These services will roll out during the course of 2002 and evaluation will lead to the development of additional services in 2003 and beyond.

Sue Mason, the team's manager, says 'The team are very excited about this new development and feel that it will enhance students' allegiance to their professional body. In order to ensure that services are developed in line with students' requirements the team

will spend time talking to students via Student Council, Student Societies, their tutors and firms'.

The Student Support Team will be available during office hours on:

 01908 248040

 [studentsupport@icaew.co.uk](mailto:studentsupport@icaew.co.uk)

It's your helpline...use it!



## Record performance in exams

### Case Study Results

The exam results for the July exam sitting were recently published and students showed continuing improvement in tackling the case study paper. The Final Admitting Exam (FAE) pass rate topped 80%

for the first time since the case study paper was introduced in 1994.

### Professional Stage Results

The results from the second sitting of the Professional Stage showed the number of candidates passing all

the papers they sat rise to 66%.

These excellent exam performances are a good sign ahead of the first sitting of the ICAEW's new Advanced Stage exams this November. Congratulations!

# Promote your employer...recruit new ACAs

## Careers Fairs

We will be attending fairs at various venues over the Autumn period and are looking for trainees to help out on the stand and talk to undergraduates about their experiences of ACA training and exams. The venues booked so far are:

Venue	Date	Time
Loughborough Finance and IT Fair	15 October 2001	11.00 - 4.00
University of Bristol Business & Finance Fair	17 October 2001	11.30 - 4.00
Newcastle Jobfest 2001	22 October 2001	11.00 - 4.00
Cardiff Autumn Careers Fair	24 October 2001	to be confirmed
Yorkshire Autumn Graduate Recruitment Fair (Sheffield)	24 October 2001	10.30 - 4.30
UEA Autumn Careers Fair (Norwich)	26 October 2001	11.30 - 3.00
Finance Business & Management Fair GMEX (Manchester)	31 October 2001	10.30 - 4.30
University of Exeter Careers Fair	1 November 2001	11.00 - 3.00

## Presentations and informal networking

We are also holding sessions in conjunction with local employers and their ACA students. These sessions will give employers an opportunity to promote the training at their firm and hopefully identify potential trainees for next year. For you, this is an opportunity to influence graduates' career decisions and help promote your training. The sessions booked so far are:

- University of Exeter - 9 October (6.00 - 8.00)
- University of Manchester - 9 October (6.00 - 9.00)
- University of York - 16 October (6.30 - 8.30)
- University of Nottingham - 17 October (6.00 - 8.00)
- Newcastle Accountancy Day - 1 November (9.00 - 5.00)
- University of Birmingham - 1 November (6.00 - 9.00)
- Southampton University - 13 November (6.00 - 9.00)
- University of Bristol - 13 November (6.00 - 9.00)

Other events will be booked over the coming weeks, so if you are interested in helping out, do let us know.

## Business Game

Finally, we will be running our business game at Sheffield University on 20 November 2001 and at other universities in the Spring. These are a good opportunity to lead a group of undergraduates and to use your expertise to guide them through the game.

If you are interested in helping out at any of the above events, speak to your employer, then contact Tasin Akhtar:



01908 248149



tasin.akhtar@icaew.co.uk

## Two Paper Rule

The revised exam regulations are now being finalised for printing and distribution.

One rule which has been clarified is the two paper rule at the Professional Stage.

The **basic rule** is that you must sit your Professional Stage papers **at least two at a time** until you have passed all six papers.

There are **four exceptions** to this rule. You may sit just one paper if:

- the first paper you sit is Accounting on its own; or
- you fail one of the first two-plus papers you sit and want to resit that paper on its own; or
- the first paper you sit is the AAT-ACA top-up paper on its own; or
- you have only one paper left to pass

The first two exceptions **only apply once**, so if you fail a single paper you must sit two or more next time in line with the basic

rule. The third exception **applies twice**.

There is another small category of students affected by the change of rules, namely those **AAT entrants who have a credit in Accounting**. Previously these students were also allowed to sit a single paper at their first attempt. This exception will continue to apply only for the September and December 2001 sessions.

For the full exam regulations, visit [www.icaew.co.uk/students](http://www.icaew.co.uk/students)

## New Work Experience Guidelines

The review of our work experience guidelines is well under way. We have developed a new approach, based upon the following principles:

- Our work experience guidelines must be of benefit to both students and training organisations
- Work experience and exams must be closely integrated
- Our requirements must focus on

outputs rather than simply elapsed time inputs

- Existing appraisal systems at the majority of training organisations must not be duplicated
- Administration must be kept to a minimum

We are currently discussing our proposed requirements with training organisations and students to ensure they are consistent with the above principles and are

practical for all parties.

The new guidelines will be unveiled in Spring 2002 and effective for students entering into training contracts in Autumn 2002.

If you would like to know more about the review, please contact Claire Jacques:

 01908 248170

 [claire.jacques@icaew.co.uk](mailto:claire.jacques@icaew.co.uk)

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