



Vital

the magazine for
ICAEW students

IFRS
the global view

the right
impression

/looking after #1

the
day
job

Private Client Services
and Corporate tax

Q&A

Credit for Prior Learning

Spring issue #24

icaew tracking in the press

"ICAEW awards first IT accreditation for tax software"

The tax accreditation - first awarded to Digita - is expected to be one of the ICAEW's most popular schemes, with other software vendors already undergoing testing.

The IT accreditation scheme has grown over the past three years to include the likes of accounting software, accounts production and non-financial products among its accreditations. Product assessment is undertaken by Baker Tilly.

Accountancy Age 01.02.2005

"Auditing far from dull"

Recent corporate incidences have in no way affected the demand for audit work, reports The Independent. "[They have] certainly given the industry a higher profile and publicised the importance of auditing as something that underpins the whole stock market," says Richard Irwin of PricewaterhouseCoopers. In addition, audit work is far from dull. "Every day is different," says newly qualified PwC auditor Andrew Demery. "Even at a junior level there's a lot of responsibility and you work with very senior people in very large companies."

Independent Online 27.01.2005

"New DTI guide endorses ICAEW"

Accountancy Services – A Guide to Best Practice advises businesses to recruit members of professional bodies. The new DTI guide warns that anyone can set up as an accountant or tax adviser without any qualifications.

The guide counsels: "To ensure you obtain the best service always choose a member of a professional body such as the ICAEW... A good accountant is someone who understands the running of a business in today's economic and legal climate and who offers their clients good quality professional advice and business solutions," it concludes.

Accountancy News 01.02.2005

What's in this issue...

In this spring edition of Vital we look at the impact of IFRS implementation on page 3. Creating the right impression in the business environment is our looking after #1 article on pages 4 & 5. Find out about Careers in Tax on pages 7, 8 & 9. We also help you unravel Credit for Prior Learning in our Q&A article on page 11.

news from student council

At the last National Student Council meeting, we focused on two key areas which we see as vital for safeguarding the future of the Student Societies and the ICAEW as a whole.

Student Societies

Without question the biggest problem facing nearly every society across the country is getting students to become involved. All too often we hear: "What if I don't fit in?" and thus a reluctance to even try. The key to a successful student society is to have a cross section of students from all walks of life and from all sizes of firms - everyone does fit in and all are welcome.

I have been part of the Leeds Student Society (LCASS) for over two years now and have found it the most rewarding experience I have encountered since starting my training contract. I have been involved in organising football tournaments, annual dinners and have even got my hands dirty (quite literally) in Business in the Community charity projects.

Student Societies are a great way to make new friends and contacts in the industry, and this can only be a good thing for your future career prospects! So what are you waiting for? Contact your local student society and get involved for a really rewarding experience! Visit www.icaew.co.uk/students for more details.

Reaching out to University students

Whilst everyone in the industry knows that the ACA is the premium brand in "Accountancy land", many university students do not! They are becoming bombarded with marketing to join up to other brands.

A recent complaint by many accounting practices is that they are receiving less under graduate applications than in the past. Not good news for the future growth of our Institute!

This was discussed at the last Student Council meeting and we are set to run a project, with the Institute's Student Recruitment Team, promoting the ACA brand to university students. For this project to be successful we will require the support of students like you. If you would like to help promote the ACA to under graduates please contact mark.young@icaew.co.uk in the Institute's recruitment team or email me your details so I can pass them on.

The new incoming chair of student council, **Manish Dev**, can be contacted by email at manish.dev@bakertilly.co.uk



The global view

Throughout the course of your training contract, you will have heard those four words: International Financial Reporting Standards, or IFRS. By now you'll know that these standards, introduced by the International Accounting Standards Board (IASB) are being implemented globally.

Why IFRS?

Financial statements are prepared all around the world, and although they may appear to be similar from country to country, social, economic and legal circumstances have created differences between them. The IASB began operations in April 2001 and announced its goal of having a single set of globally accepted and enforced accounting standards. Its International Financial Reporting Standards (IFRS) have, from the outset, been designed as authoritative statements of how particular types of transactions and events should be reflected in company and individual financial reports.

Who uses IFRS?

Over 90 countries now utilise IFRS as their method of reporting, including the principal capital markets of the UK, Germany and Australia. From 1 January 2005, all publicly listed companies in the E.U. are required to prepare their consolidated statements in conformity with IFRS to achieve comparability of reporting. Countries who do not utilise IFRS (principally the U.S., Japan and Canada) permit reconciliation with generally accepted accounting principles (GAAP). It is, however, precisely because of the disparity between these principles and the

requirement for a commonly recognisable set of standards that IFRS originated.

How does IFRS affect my exam papers?

The transition to IAS (International Accounting Standards) and IFRS was introduced to the ICAEW's 2004 course syllabuses, learning materials and exams so you should already be aware of the changes. You can find out more about this at www.icaew.co.uk/students. In addition, your subject course tutors will have gone over these changes in detail with you and they can be consulted with regard to recent implementation.

Our examiners will be looking for you to demonstrate your understanding of the standards within your exam answers, and in particular your use of the correct terminologies such as "PPE", "payables", "inventories" instead of "stock" and "receivables" instead of "debtors."

For Professional Stage Students, changes were made in 2004 in areas such as international cash flow statements for the accounting syllabus. There is no impact envisaged for the PS exam paper subjects in 2005, however.

For Advanced Stage students, there are no specific IFRS requirements in the TATC papers or in the Advanced Case Study planned for 2005. Use of either UK GAAP or IFRS may be appropriate based upon the scenario in the question (for example, when discussing a small company or a scenario with an earlier date). You will receive notification of any fresh impact to the exam papers in the Advance Information.

How can I find out more?

The Institute has launched its own stand-alone qualifications in IFRS – the Certificate and Diploma award programmes. These are not an integral part of the ACA syllabus and are not compulsory. They are open to anyone wishing to gain further knowledge of IFRS implementation.



To find out more, call the ICAEW training department on +44 (0)1908 248038 or email training@icaew.co.uk or visit www.icaew.co.uk/ifrs



the right impression

**Business suit or t-shirt and jeans?
PowerPoint presentation or hand outs?
Lots of jokes or a straight face? There
are many views on how to present
yourself and your ideas successfully in
the work place. Here Vital helps you to
decide what works for you.**

You will know that a crucial part of your ongoing ACA training is the development of your ability to convey practical and statistical information both cohesively and engagingly. Experts worldwide agree that there are some important rules you can follow when interacting with your colleagues and clients in order to make an effective impression.

You are what you wear...

Research has shown that 93% of the impact of a first impression is formed on non-verbal communication. Most of this percentage is dependent on our choice of attire. How does this matter in the workplace? On one occasion, smart executives from Microsoft met casually dressed programmers from Apple Mac - and each group turned up in the other's chosen mode of attire in deference to their company culture, demonstrating the mutual willingness to do business. The two companies, although commonly perceived to be in opposition, have maintained a healthy business relationship ever since.

*"Vain trifles though they seem, clothes...
change our view of the world and the
world's view of us" - Virginia Woolf.*

So what thought can you put into your appearance to give you greater success? The ground rules are: neat clothes, tidy hair, clean shoes, avoidance of strong smells (ie: smoke, strong food, aftershave or perfume) and also subtle makeup and nails painted in moderation (where applicable!). Where casual clothing is appropriate, please remember that casual doesn't mean sloppy. A sensible choice for the middle ground might be shoes and trousers combined with a sports shirt or blouse.

The full spectrum...

The use of colour in visual impact is also very influential. Historically, colours have their own meanings and it is often said that our choice can subconsciously reflect our outlook. We can apply these ideas to our choice of attire. For example, when presenting the findings of a client assignment to a company partner, we could choose colours such as blue - a colour construed as faithful and virtuous, black - creative and idealistic, or even red - diligent and resolute.

Yet colour choice must be carefully considered in a business environment. Red brochures, for example, have been known to cause a physical response by actually raising the reader's blood pressure. Culturally, colour has different meanings - white is a colour associated with truth and virtue, but is also used at funerals in the east. Trends dictate choice also - advertisers have recently revived the use of earth colours, whereas whole generations associate avocado greens and brown tones with 1970s bathroom suites! So our choice of visual display must be carefully considered for the most appropriate effect.

A picture is worth a thousand words...

This leads us nicely onto methods of presenting. Are you more akin to one-man/woman stand up or would you prefer sitting in a circle having an open discussion? Very often, the nature of the information we wish to convey dictates the delivery. In all instances clarity and relevance are the key. You may not want to induce an attack of migraine amongst your audience by projecting a dynamic PowerPoint presentation across half an office

wall. However, you also would not wish to bore them into submission with anodyne handouts either. Clearly, visuals that engage the audience and permit them scope to interact and ask questions would be most appropriate.

"No one is exempt from saying silly things; the mischief is to say them deliberately" - Montaigne

Knock, knock - who's there...?

How about humour? Many will shrink at the thought of using a gag which may sink like a lead balloon. Yet humour can be a valuable presentation aid and can relax the audience, bringing attention to the point you are making and also break down awkward barriers. If at all fearful, you can practise humour initially with smaller groups such as your office colleagues. You may also wish to segregate your self from the pun - by including a cartoon in a visual presentation for example, rather than by speaking it. And remember, should your joke fall flat, the phrase "moving swiftly along" can always get you out of jail.

Three is the magic number...

So you've got the right clothes, the right presentation format and the right approach all sorted out. But how about actual delivery? There are some simple tips you can follow to put the finishing touch to the impression you give to others:

- Preparation is also an obvious key to success. If it's a speech you're making, practice! If it's a carefully considered point you

want to get across, rehearse your stance and vocal projection. If you're trying to stand out from the crowd, utilise statistics or information that demonstrate your research and will make the listener sit up and pay attention.

- Remember your audience may be made up of parties with differing interests. For example, the findings of a report which you are due to communicate to the book keeper of a firm may interest the company partner in a different way. You may need to highlight different areas to fulfil each listener's needs and even vary your style to achieve the best effect.
- In oratory, the "rule of three" arises frequently and many public speakers can be heard to utilise the three part list in speech. This format permits the pattern of "one thing, versus another, with an alternative" - and can be adopted as a pattern for a presentation overall. Just look at the structure of this bulleted section as an example.

"Say what you mean and mean what you say" - George S. Patton

Overall, the science of personal presentation and all the areas under its umbrella are growing in popularity and relevance, especially as companies look for new and innovative ways to advertise and promote themselves. But on a personal level, assessing your appearance, your approach and your delivery can make all the difference as to whether or not you succeed in convincing your audience of your credibility and integrity throughout the course of your training contract.

/looking after #1

exams dates & deadlines

Professional Stage exam

Closing date – 12 May 05
Admission letter – 27 May 05
Exam – 13~15 June 05
Results – 22 July 05

Advanced Stage exam

Closing date – 23 June 05
Admission letter – 08 July 05
Exam – 25~27 July 05
Results – 02 September 05

exam results service

You can call the student helpline on +44 (0)1908 248040 between 5~7pm on the day the results are released.

Consolidation update

Vital catches up with **Hilary Lindsay**, the Council member for Provisional Member liaison, for an update on the Institute's future consolidation strategy.

In the autumn 2004 edition of Vital I wrote about our Institute's strategic review. I emphasised that our foundation stones for the future included a 'gold standard' suite of qualifications, embracing all sectors of the profession – business, practice and the public sector, increasing our international dimension and aligning our activities with member needs.

Trying to achieve all that is quite a tall order and as you can imagine Council has been kept busy! I had mentioned to you that we had identified a possible accelerator to the process – a consolidation with CIMA and

CIPFA - and we have been exploring that as well as developing our own stand-alone strategy.

The Councils of ICAEW, CIMA and CIPFA remain committed to consolidation as the best way forward for the modern profession. CIMA Council however have had some concerns and asked for more time so we are now involved in a two-stage approach. Proposals to integrate CIPFA with ICAEW are being prepared and we hope to take these to our members later this year. Meanwhile the three bodies are continuing to negotiate the full consolidation proposal.

If you have any queries about any of this or would like to share your views please email me at hl@hilarylindsay.co.uk. I look forward to hearing from you.

/get out less

CPD website

Are you approaching the end of your training contract? You may already be preparing to send in your membership application when you become eligible, but what is in store for you in terms of professional development once you have qualified? You will be expected to exercise appropriate professional judgement within an ethical framework whatever your role.

Find out more about the Institute's expectations of your ongoing professional commitment by logging into the brand new Continuing Professional Development website at www.icaew.co.uk/cpd

Take time out for tax

It's never too soon to consider your options

Sometimes it's just too easy to get stuck in the rut of your day job and to forget that you have to make time to stop and consider your options. You are studying for the best business qualification that the accountancy profession offers. But "business" has a very broad remit and a large part of running a business depends on tax.

Your training so far will have given you an insight to many different working environments and some may have appealed more than others. Whatever you have found to interest you so far, there will be a tax role somewhere to suit you.

Maybe you like working with people and actually getting involved with your client's business. Your work in this field could be compliance work, but is also likely to include advice; clients will often need help with completing returns and calculations for all of their tax affairs. It may be a partnership with several employees which imports specialist food products from Europe. The business would have income tax issues, including issues relating to the partners themselves. But they would also have to deal with VAT, import duties, possibly Stamp Duty Land Tax and most certainly PAYE for their employees.



Many businesses rely more and more on Europe for new customers and suppliers, and others are looking even further afield. This has tax consequences. Maybe you like travelling and have a working knowledge of more than one other language. Tax is no longer just UK based and there are many opportunities in the world of international tax.

Although few of us really enjoy taking exams, there is something to be said for working through a case study where all the facts have been neatly presented for you to solve. Perhaps you would enjoy a career in lecturing or journalism. There are plenty of opportunities for those with an enquiring mind and good written English. Broadcasting and PR are also areas where specialist tax knowledge will be welcome.

The Institute's Tax Faculty is the voice of Chartered Accountancy in tax. No other accountancy body has a team dedicated to supporting the tax work of its members. We are also the public voice of tax for our profession. Our members are all fully qualified Chartered Accountants, many of whom practice tax as part of their day to day work. Some of our members are highly skilled technical specialists; others have the equally difficult task of operating at a broader level in general practice. These may value their Faculty membership because of the extra support and benefits that we provide them with. But we also represent members who work in tax in a business environment and their needs are different again.

As a student you can register online at www.icaew.co.uk and try out membership for free while you are studying. Or why not come along and meet us at one of our faculty events? We have a group of younger member volunteers who work in the real tax world and who help us to run tax events specifically designed for you at this stage of your career. You can network with other students and newly qualified accountants and learn about career opportunities from them. These are all free!

For the future, there will be events specifically on tax subjects organized by the Institute's Tax faculty. You don't have to be a tax specialist to attend. Events such as these will help you on all sorts of levels; academic, practical experience, and the chance to mix with other tax professionals who can talk about the world of tax.

Tax Private Client Services Corporate Tax

Malhotra Deepak,
working in **Private Client Services**

How would you describe your daily role?

I work in the Private Client Services team at Deloitte in London. We advise in all areas of personal tax planning including capital gains tax, inheritance tax, non-domiciliary tax and income tax. We also have a wealth advisory team, with whom our tax professionals work closely. The work can be project based working alongside a private equity firm or can be an ad hoc request from a client. We work alongside other departments such as Corporate Tax and Corporate Finance. This is often facilitated through the utilisation of cross-service line teams.

What are your overall responsibilities?

As a manager, my responsibilities are varied. I do not manage a portfolio of clients so I mainly look after ad hoc projects. When I am given a project by a partner, it is my responsibility to make sure the work is done in time, delegate to the appropriate level, review the work created, liaise with the client and ensure I can chase up the partner to get the work reviewed and signed off!

In my role, I need to be proactive. This is both for internal referrals and work generated externally. This is the part of the job that I enjoy most, and there is nothing more satisfying than bringing in work for the firm. There are many opportunities for us to engage in business development.

What are some of the projects you have worked on?

In terms of the type of work that I do, it is really a mixed bag. A recent example of a project was a tax planning document regarding setting up an offshore structure for a non-domiciled individual. We had to work with the client and an investment bank to ensure the correct structure was put in place.

Working for Deloitte enables me to work on some very complex assignments. Fortunately I have access to a number of the leading experts in the country. This enables me speak to someone who has encountered a similar problem to that which I am dealing with and can assist me accordingly. One of the interesting things about working for such a large organisation is the huge potential for gaining work from within the firm. We thrive on internal referrals and the benefit is that you get to meet people throughout the wider Firm.

What elements of your role do you enjoy most?

Private Client Services is the area of tax that I find most fascinating. I like dealing with people and helping them solve their complex tax problems. I work with some of the wealthiest people in the UK and it is important to deal with each client in the appropriate manner. The client could be an entrepreneur, property investor or even a famous professional footballer! In my previous employment at a medium sized firm I had a mixed tax advisory role, but realised that I excelled in private client services.



Private Client Services
Corporate Tax

I also enjoy the technical side of my work. Tax work can be very challenging and intellectually demanding. Completing my CTA exams did help in this but even as a prize-winner, tax is still a complex subject, especially in the current climate where legislation is constantly changing. The key is to admit when you require assistance and within Deloitte there is no shortage of that!

At Deloitte I particularly thrive on the vast array of opportunities available to me, the freedom to be able to network and attain new business. I enjoy the fact that every day I come to work I will learn something new, because I am surrounded by the best tax professionals in the country. I work for a firm that encourages innovation and new ideas and thrives on being able to implement them and achieve the required goals.

Where do you see your job taking you in the future?

Deloitte are very supportive in providing me with opportunities to learn new skills and to develop my existing capabilities. There is a lot of scope for me to do this and there is a strong focus on how the firm manages the needs of its "talent" i.e. individual employees.

Going forward, I want to be able to continue working on complex projects, covering as many areas and scenarios as possible. I know I am in the best place to be able to achieve this!

We also met with another student training in the area of **corporate tax** and asked her about her role...



What is your background and your role?

I am an assistant manager in corporate tax compliance in a regional office of KPMG. Having previously worked for a smaller accountancy practice in audit I wanted to gain experience in larger multinationals once I qualified.

How did you get your current job?

I approached KPMG with my c.v. directly and went through their recruitment process which was fairly fast. I was interviewed by HR and then another interview with one of the partners. It was great to get the job and it was good that things progressed so quickly.

What are your overall responsibilities?

I manage compliance processes on a day to day basis building relationships with clients, along with planning and allocation of work across my team and dealing with HMIT enquiries. I am also coaching a junior member of my team on advisory and other matters. As a small department we also have non-tax responsibilities such as HR (mentoring and interviewing) and sales (through an industry focussed sales team). Overall I have a good mix of commercial and technical responsibilities.

What are some of the projects you have worked on?

Projects have included restructuring advice, refinancing advice, exit planning on OMBs and plenty of HMIT enquiries with many issues being examined. Being a regional office, we have a wide range of clients; both large and small accounts which is great. I have lots of exposure to different things and lots of discussions with the Inland Revenue.

What elements of your role do you enjoy most?

I enjoy working with different people across a variety of industries and therefore enjoy the diversity of the issues that arise. I also enjoy project management, training and the mentoring of junior staff and dealing with some of the wider tax issues such as PAYE, TP and Thin Cap.

Where do you see your job taking you in future?

I would like to deal with more HMIT enquiries and carry out some more advisory work. And as I work for a big four company I have the opportunity to move to another department or location.



Friday 15 April

Cumberland Student Society Annual Dinner

At the Crown Hotel in Wetherall near Carlisle. The evening will begin at around 19:00 and there will be a casino and disco to follow. For more details contact Sarah Gregory at sarahg@doddaccountants.co.uk

Saturday 16 April

North West Society Great Isle of Man Ball

Join CASSEV at the Rutland Hotel in Douglas to celebrate the Great Isle of Man Ball. Tickets cost £30 and further details including a menu and an application form are obtainable from juanwatterson@kpmg.co.im or from lyndsay.mcadam@uk.pkf.com

Friday 22 April

LCASS Fashion Show

Forget London, Paris & Milan... Leeds Student Society have their own fashion show. It's all happening at the Royal Armouries, Leeds. For more details contact Helen Appleyard at lcass@icaew.co.uk

Sunday 24 April

MCASS Golf Open competition sponsored by Michael Page Finance

It's all tee-ing off at Portal Golf & Country Club for the first round of Manchester Society's 2005 golf open. Further events will be held in July and September. For this event, there are 20 places available with the winning 4-ball players from each progressing to the grand final in October. Contact louiseedgar@michaelpage.com or visit www.mcass.org.uk

Friday 20 May 2005

NCASS Teesside Dinner

The Swallow Hotel in Stockton-on-Tees is the venue for the Northern Society's Teesside Dinner where an informal three course meal will be followed by a disco. Places can be booked by contacting Pamela Rule at pmrule@yahoo.com or by calling 0191 2577666.

Wednesday 25 May

LENCASS AGM and Dinner

The Leicester & Northampton AGM begins at 19:00 followed by an Indian meal at the Nila Palace Restaurant, London Road, Leicester. All are welcome and the meal is free. You can get in touch with Janet on 01536 500850 or via email at janet.marchand@icaew.co.uk to find out more.

Thursday 9 June

LENCASS Five-a-side Football Tournament

Strap on those football boots for Leicester & Northampton's Five-a-side Football Tournament. The event is to be held at Goals in Leicester from 19:00. All are welcome - younger professionals, students - and even accountants! Please get in touch with Janet on 01536 500850 or via email at janet.marchand@icaew.co.uk to register a team.

Thursday 16 June

SCASS Flying Evening

It's up, up and away at Netherthorpe Airfield for Sheffield Society's flying evening. Then it's back down to earth for drinks afterwards. To find out more contact carmel.smithson@icaew.co.uk or call 0114 2922415.

/get out more

For further information regarding all student society events, please visit www.icaew.co.uk/students and click on the icon for student societies.

Q&A

CPL

Vital helps you to unravel Credits and Exemptions

What are credits and exemptions?

If you meet our learning outcomes before becoming registered as an ICAEW student, you may be able to apply for credit for certain ACA exam papers. This means that when exams come around, you will not need to sit these papers, leaving you free to concentrate on other subjects.

How do I find out if I am eligible?

Visit the Student's homepage at www.icaew.co.uk/students and click on **Professional Stage** in the centre of the screen. On the left-hand menu you will then see a link to **credits & exemptions** appear; click on this to find out more about the exemptions that are available.

I'm a graduate - what exemptions can I apply for?

As a graduate you may apply for credit in specific exam subjects. The credits available to graduates are for Professional Stage Business Management, Business Finance and the Commercial and Company Law devolved assessments.

I'm AAT qualified but not a graduate - can I still apply?

AAT qualified students can apply for credit for the Accounting paper only. www.icaew.co.uk/students, click on **Professional Stage**, then click on **credits & exemptions** in the left-hand menu and then **credit for AAT** underneath this to find out more.

I have an overseas degree - can I still apply?

Overseas degree graduates can also apply for credit – visit www.icaew.co.uk/students, click on **Professional Stage**, then click on **credits & exemptions** in the left-hand menu and then **credit for professional qualifications** underneath this to find out more.

I've sat a paper already - can I still apply?

If you have already attempted a Professional Stage paper then you will not be eligible to apply for credit in the same subject. It is important that you establish your exemption eligibility before attempting any Professional Stage exam papers.

What documents will I need to submit?

You will need the Credit for Prior Learning form. Visit www.icaew.co.uk/students and click on **downloads**. You will find two versions of the form in PDF format under the Professional Stage Exams title bar; one for AAT applicants and a standard form for all other applicants.

What else should I send with my application?

Pay particular attention to the CPL application form and you will see that you should include transcripts of degree studies, a statement of achievement for professional studies and relevant syllabuses, and exam papers where required. Your application can only be processed if these key items of information are provided.

When will I find out the decision?

You should allow 28 days as a minimum for your application to be processed after receipt at the ICAEW.

Any questions call Student Support +44 (0)1908 248040



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