

Setting the pace

The Public Sector gets more competitive

get out
less

Exam dates pull out

the day job

Life in the National Audit Office

and so
that was
Christmas

Looking after #1

Welcome to /Vital

THE INSTITUTE OF
CHARTERED
ACCOUNTANTS



IN ENGLAND & WALES

the information & support
magazine for ICAEW students
issue #19

tracking accountancy in the press

"Brussels gives quarter on data frequency"

The EU backed down on proposals to force the 6,000 companies listed in the European Union to make detailed quarterly reports. The FT reported on 29 Nov that Companies will still be required to produce qualitative reports on a quarterly basis. The ICAEW says a push on quarterly reporting is a misplaced priority, Eric Anstee, Chief Executive, says companies will be preoccupied in 2005 and 2006 adjusting to new international accounting standards. "This will see a convergence of standards across the world. That is the real prize," he says.

"Small practices lag behind on IT"

Accountancy firms are increasingly taking advantage of information technology, but small practices still lag behind, according to the ICAEW. Accountancymagazine.com reported on 2 Dec, that a survey of 750 accountancy practices found firms are increasingly reliant on certain aspects of IT, such as email, the internet, but a persistent few continue to resist the potential benefits.

"Audit threshold soars to £5.6m"

Trade secretary Patricia Hewitt last month announced a rise in the audit threshold to £5.6m. Accountancy Magazine reported in December that the ICAEW 'expressed its concern', and that it will reduce standards of business behaviour, increase economic crime and lead to a decline in the quality of financial information available to stakeholders.

Welcome to Vital#19

In this issue we focus on the Public Sector, see our feature on page 3 "Setting the pace" and our business profile "the day job" on pages 8 & 9. We also take a look at debt on page 5 "looking after #1" and visit the realword on page 11 with "links to what?". Please keep sending us your comments to vital@icaew.co.uk

news from council

Your Institute has been far from idle this Autumn! Below are just three examples:

We've issued Guidance for Directors who publish Prospective Financial Information (PFI) for investors which has been welcomed by the UK Listing Authority. This followed publication of a consultation draft in July 2002.

We've launched a new online register of members interested in Non-Executive Director or equivalent positions. The database builds on the key recommendations from the Higgs Review of Corporate Governance for greater diversity in UK boardrooms. In compiling the register, the Institute focused on attracting our large number of female members and those working overseas.

Our Enterprise Survey 2003 – UK Business Growth, Plans and Barriers found that red tape is costing the UK economy £6 billion a year. In an SME policy paper – Entrepreneurship: the key to growing the SME sector – we have called on government to conduct a fundamental review of legislation affecting SMEs.

These are all examples of your Institute making a valuable contribution to benefit the wider business community. You can find out more about any of these initiatives on www.icaew.co.uk

If you have any concerns or opinions that you would like to raise you can contact Hilary at hl@hilarylindsay.co.uk

And did you know... ..Your Institute has a Student Council?

Student Council exists to represent the student body at the Institute, promote best practice between the student societies and raise the profile of the accountancy profession.

In achieving these objectives your student council has developed two-way communication between students and key Institute teams. This includes gaining feedback from student societies on the issues facing students in their areas, the sharing of best practice in terms of student society activities and encouraging student societies and their students to get involved in events that will heighten the standing of the Chartered Accountancy profession.

Student Council meets with Institute representatives every three months and communicates with staff from Education and Training and Member Services regularly. As chair, **Lizzy Conder** would be pleased to hear from you if you have any issues you feel student council may be unaware of. Please email her at elizabeth.conder@kpmg.co.uk

/ Setting the pace

A career in the public sector has traditionally been perceived as pretty second-rate: second-rate salary, second-rate offices, second-rate opportunities and second-rate profile.

But as the sector has become more commercial, it has started to compete with the private sector for the best financial professionals – and the signs are that it is succeeding. *‘There is absolutely no doubt that the public sector is becoming increasingly popular as an area for financial professionals’*, says **Ian Graves**, regional manager for recruitment consultancy Robert Half International. *‘The sector has now become a focus for us as an organisation. It has never been a problem generating job orders in the public sector, the difference is that we are now filling them. We recently carried out some regional analysis in London, Scotland, the Thames Valley and the West Country – pretty representative of the UK as a whole. Every single office reported an increase in job orders in the public sector as well as in the number of candidates showing an interest in them for Q2 over Q1.’*

The change has largely been down to the public sector’s adoption of private sector business practices, allied with improvements in pay and the economic downturn of the last few years. The latter has meant that there simply have not been the jobs out there and professionals who may previously have been dismissive of the sector have been forced to consider it. *‘I am in the process of hiring a senior finance manager and two-thirds of the applications have come from the private sector,’* says **Vanessa Howlison**, director of an NHS finance consortium, *‘I would certainly welcome new blood from the private*

sector. I think there are more finance opportunities in the NHS at the moment, particularly because the establishment of Primary Care Trusts has increased the overall number of NHS organisations.’

Building a new relationship

The Institute has also been forced to re-evaluate its relationship with the public sector, which has taken a few years to flourish. Whereas only a handful of public sector organisations have, in the past, been authorised to offer the ICAEW qualification, recently the Inland Revenue, Customs & Excise, The Rural Payments Agency, and the NHS have all come on board. The Institute estimates that 6,000 of its 124,000 members currently work in the public sector, and according to **Trevor Faulkner**, a training consultant in the ICAEW’s Education and Training Department, that number is set to rise significantly. *‘In the past, public sector organisations may not have considered the ICAEW qualification relevant, but now they realise a business focus is more to their advantage.’*

‘There are a lot of individuals now training in the public sector who want a training that is transferable and which won’t cut down their career options in the future. That’s why, increasingly, there are students training for other qualifications in the public sector and we are saying:

“Look at ours, ours is better. The ICAEW qualification is the gold standard qualification – it gives the individual the broadest range of skills. And from an employer’s perspective it’s a guarantee of a very high standard.”’

Students can also expect more parity on pay, according to Faulkner. *‘Nowadays, the rewards seem to be on a par with what is available in the private sector. I have been pleasantly surprised*

that the package students get in the public sector is as good as that in the private sector, both financially and in the level of support offered for exams.’ However, higher up the scale, salaries still lag behind the private sector, especially in London and other cities where there is a strong financial presence. And public sector employees are far less likely to receive performance-related bonuses than their private counterparts. *‘But the gap is definitely narrowing,’* asserts **Ian Graves**.

“It’s just as cutthroat and just as political as the private sector.”

More security

Working conditions provide further incentive. Public sector employees often get more holiday, better maternity leave, better childcare provision and better job security. *‘A job in the public sector is three or four times as secure as one in the private sector,’* adds Graves. But the public sector is not a soft option, insists Vanessa Howlison. *‘Anyone who comes into the NHS expecting a cushy work/life balance should have seen me working in the office until midnight when I was six months pregnant finishing off the end of year accounts. There are initiatives such as the Improving Working Lives Initiative, but a lot more money will have to be ploughed in to make a big difference for most staff.’* And those who enter the public sector for altruistic reasons may also be disappointed. *‘It’s just as cutthroat and just as political as the private sector. It’s not easy to make a difference in finance,’* she says. It seems good intentions are the first casualties of commercialisation.

Written by **Emma Keelan**

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To subscribe to Accountancy magazine

tel: 0870 240 4388 or email:

magazine_customerservices@croner.co.uk



/your shout

your views count

In the last issue we asked for your feedback on the Exam results release time. Following the survey we will continue to release the results at 5pm. Thanks to all of you who emailed us.

This time we want to hear your views on the new website /students. Is it easy to find what you're looking for? Can you suggest how we can make it better? Is there anything you think we are missing? We want to know your views – please email us: vital@icaew.co.uk

Changes to your personal details? Query about your training contract?

The Student Support Team can help with these and all other training related queries.

Our hours of opening are:

Monday – Thursday, 8.30am – 5pm
Friday 10am – 4pm

Student Support Team:
Tel + 44 (0)1908 248040, studentsupport@icaew.co.uk

Ethics Advisory Service:
Tel + 44 (0)1908 248258, ethics@icaew.co.uk

Vital Editorial Team
Tel +44 (0)1908 248040, vital@icaew.co.uk

Library and Information Service
Tel + 44 (0)207 9208620, library@icaew.co.uk

Student Council
elizabeth.conder@kpmg.co.uk

Money Laundering Helpline
Tel + 44 (0)1908 248320

/things that make you go www

www.newyearsresolutions.org

Had a few too many of everything over Christmas? – start the New Year on a sober note.

bbc.co.uk/business

Keep an eye on anything from house prices and interest rates to sales of Harry Potter books!

Directors Briefings and Start-Up Briefings

An extensive range of free helpsheets is available on key business issues. The Directors' Briefings are four-page summaries on over 200 business topics, distributed by the Library & Information Service. They are free to print or download from **www.icaew.co.uk/directorsbriefings**. Topics covered in the series include marketing, sales, strategy, corporate finance and many more. Directors' Briefings are ideal as a quick introduction or a refresher.

Accountancymagazine.com

Accountancy magazine covers a wide range of issues of interest to accountants, wherever they work, from technical accounting matters through to general business and careers features.

/looking after #1

So Christmas is over and you get your first bank statement.

It's then that you realise just how much you spent over the festive season and resolve to make your money work harder for you in the coming year.

To help you make your money work better for you, **Lizzy Conder**, Chair of Student Council, has the following hits and tips:

- Use online banking services to keep an eye on your money
- Don't let debt mount up on credit cards – the interest rates are much higher than on overdrafts/personal loans

- Shop around for your current account – does yours pay high interest, offer a free overdraft, commission free foreign currency?
- Make savings tax efficient by using an ISA
- Budget what your monthly salary needs to cover – be aware of expenditure such as car insurance, holidays etc
- Use the internet to find the best deal on insurance or flights
- If you have a mortgage – do you have a good deal? With interest rates at their lowest level for 40 years, shop around and make sure you are getting the best rates for your circumstances.

The Daily Telegraph has a free guide to remortgaging – order from www.telegraph.co.uk

and so that was Christmas



/get out less

Open Books

Unsure which edition of the open books you need?

For the purposes of the Institute's exams you will need the edition published in the year prior to the exam you are sitting – so for exams in 2004 you should have the 2003/2004 edition of each book.

In the Professional Stage you can underline, sideline and highlight the Open Book texts and should only take in the book(s) allowed for your particular paper. There are no restrictions on written/printed material in the Advanced Stage, other than desk space.

For key dates and deadlines see your wall planner on the centre pages of this issue.

Money Laundering Regulations

The long-awaited Money Laundering Regulations 2003 were laid before Parliament on 28 November, together with amending orders for the Proceeds of Crime Act and the Terrorism Act. The main effect of the Regulations is to complete the implementation in the UK of the 2nd EC Money Laundering Directive. The Regulations will come into force on 1 March 2004.

Copies of the Regulations should be available from HMSO's website from mid-December.

If you are looking for advice on Money Laundering we have a helpline
+44 (0)1908 248320.

Money laundering is the acquiring, using, possessing or concealing of the proceeds of crime. It includes helping someone else to do so. Any suspicions should be treated confidentially.

Updated learning materials

Did you begin studying for your exams in 2003, using edition 3 Professional Stage or edition 2 Advanced Stage learning materials? If so, please be aware that there have been some alterations.

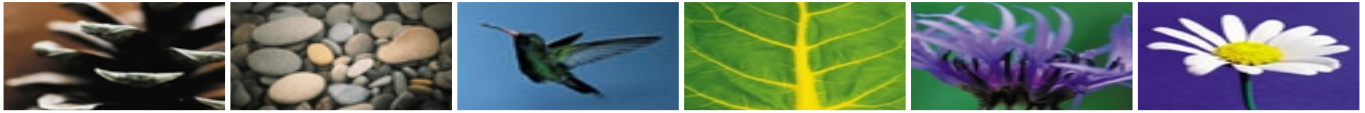
Full details of the changes and how to order the new materials can be found at **/students** under professional or advanced stage, in the studying for your exams menu item.

exam pull out

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	1
January	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T
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March	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M
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May	S	S	M	T	W	6 Closing deadline : June Professional Stage exam		S	S	M	T	W	T	F	S
June	T	W	T	F	S	8, 9 & 10 Professional Stage exam					S	S	M	T	
July	T	F	S	S	M	T	W				M	T	W	T	
August	S	M	T	W	5 Closing deadline : Sept Professional Stage exam		S	S	M	T	W	T	F	S	S
September	W	T	F	S	7, 8 & 9 Professional Stage exam					S	S	M	T	W	
October	F	S	S	M	T	W				M	T	W	T	15 Results: Sept Profes: Stage	
November	M	2, 3 & Advanced exam		4 Closing deadline: Dec Professional Stage exam				S	S	M	T	W	T	F	S
December	W	5, 6 & 7 Professional Stage exam					10 Results : Nov Advanced Stage exam			S	M	T	W		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15



Dates correct at time of print. Please check [/students](#) for up-to-date information



	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
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/icaew planner

Andy D'Souza trained and qualified with the National Audit Office. Here he tells us about his experiences of working in the public sector.

What is the National Audit Office?

The NAO is the Central Government Spending Watchdog. I have been here now for just over three years and I qualified in October 2003.

And what exactly does your job involve?

As the name implies, audit is the main focus of my work, but the NAO also undertakes 'Value for Money' studies and supports the Parliamentary process through the Parliamentary Accounts Committee. Within the last year, I have been the lead auditor for the National Portrait Gallery and the Millennium Commission as well as working on the Tate Gallery and on a study into the monitoring of lottery grants at NESTA (National Endowment for Science Technology and the Arts). I was also recently seconded to spend two months working for Audit New Zealand during their busy period.

Why did you choose to train in the public sector?

The National Audit Office seemed to offer a good package but I didn't really know much about what they did until after I requested their application form. I then noticed that the NAO kept getting mentioned in the newspapers and on the TV. There was an article in the press relating to an NAO report about hospitals who weren't

Seeing a report that you worked on published in the press and hearing about it on Breakfast TV is a good way to start the day.

managing their beds very well. Hospitals were cancelling operations because they didn't have spare beds available and it was costing the NHS something like £1m a week. It made me feel that the NAO was not just involved with auditing public bodies but also comments on matters of wider national interest. It left the decision between whether I wanted to work at one of the big five (now big four) or whether I wanted to do something that little bit different? I chose something different and haven't regretted it. Since joining the NAO, I am amazed at how often their reports get in the press.

What is a good day at work?

Seeing a report that you worked on published in the press and hearing about it on Breakfast TV is a good way to start the day.

Getting the accounts signed by the client and going out to celebrate would be a good way to end the day.

What is the first thing you do when you get into work?

I normally read the newspaper headlines while waiting for my computer to start up, then I check my emails and the intranet for updates about what's going on in the office as new regulations and guidance are always being issued.

At this stage in my career, more and more time is spent ensuring that my staff have work to do so I spend a little bit of time doing that before getting down to whatever job I'm working on at the moment.





**Posted to
New Zealand**

Any travel involved? What's the most interesting place work has taken you to?

I started working on the culture, media and sport sector and now that I have qualified I will be moving on to the Foreign and Commonwealth Office. My clients so far have included a variety of National Museums, Galleries and Lottery Distributors. A lot of the clients are within walking distance from the office in Victoria although when I move to audit the F&C Office I expect I could be travelling all over the world.

Recently, I got the chance to go and work for Audit New Zealand. I spent two months during their busy period auditing a range of clients from the Westpac Stadium to the Te Papa National Museum. It was hard work with long hours, but really enjoyable. I also spent five weeks travelling round Australia and New Zealand. I made many good friends and am more knowledgeable about rugby, though I haven't learnt the Haka yet!

Is your job any different now you have qualified?

The pay is definitely the thing that changed the most. Pre-qualification, I was doing most of the things that I do now, but my responsibilities have increased – more staff to manage and a larger variety of work. I will soon move into auditing the Foreign and Commonwealth Office. This should involve travelling to their worldwide offices – anywhere in the world including danger zones like Afghanistan!

What has been your biggest challenge in your career/studies?

Passing the exams was the biggest challenge mainly because of the fact that my job depended on it. However, the recent trip to New Zealand was a major test as I was expected to hit the ground running and undertake audits using NZ GAAP and using the Audit NZ methodology. It did prove how good the training was at the NAO in the sense that I never felt like I was in at the deep end.

What do you do to relax?

On a day to day basis, I normally try and do some sporting activity during the week. I either go to the gym or play five a side football. The office has a gym and a badminton court in the basement.

I have also just taken up Spanish which is occupying quite a bit of my time. I enjoy an occasional drink and I can often be seen at my local pub enjoying a beverage or two.

What's your favourite night in?

A good night in would be watching England win the World Cup while drinking lots of beer finished with a curry from Captain Korma.

/the day job

/9



/get out more

Friday 9 January

Nottingham Chartered Accountants' Student Society NCASS Annual Dinner

The Annual Dinner will be held at East Midlands Conference Centre, University Park, Nottingham starting at 6.45pm for 7.30pm. Tickets are £35 for NCASS members and £40 for non members. Band - 'Threes a Crowd', disco- 'Boogie Nights'. Awards will be presented during the dinner. Contact Elaine Franklin on 01773 819860 or email elaine.franklin@icaew.co.uk

Thursday 15 January

Thames Valley Chartered Accountants' Student Society

Pie & Pint evening at Sweeney Todd's in Reading from 7.30 pm. Tickets £4. To book contact Sue Pye on 01737 773863 or email sue.pye@icaew.co.uk

Thursday 15 January

Sheffield and District Student Society Beer Tasting

Starts 7pm at the Devonshire Cat, Wellington Street, Sheffield. To book contact Carmel Smithson on 0114 2922415 or email carmel.smithson@icaew.co.uk

Friday 23 January

Leicester and Northampton Student Society LENCASS Bowling & Laserquest evening

Take it in turns to try laserquest and bowling with a basket supper somewhere en route. Cost is £5 per person. The evening will start at 6.30pm at Megabowl, St Peter Lane, Leicester. Contact Janet Marchand on 01536 500850 or email janet.marchand@icaew.co.uk

February (date tbc)

London (CASSL) student society are planning a Speed Dating evening

For further details and to register your interest, contact Georgina Limbert on 020 7556 7764 or email georgina.limbert@icaew.co.uk

Wednesday 4 February

ICAEW New Members' Ceremony

Ceremony for New Members at Chartered Accountants' Hall. Contact Harpreet Jhita on 0207 9208672

Friday 6 February

Leicester and Northampton Student Society LENCASS Annual Dinner

Will be held at Walkers Stadium, Leicester. After dinner there will be a barndance followed by a disco. Tickets are £25.

Friday 6 February

Liverpool CASA Annual Dinner

At the Marriott Hotel in Liverpool City Centre. The theme for the night is 'A night at the Oscars'.

Thursday 12 February

Sheffield and District Student Society Training Course

'Presenting to an Audience' – 6pm, NTP Meridian Management, Development Consultants, The Quayside, Sheffield. To book contact Carmel Smithson on 0114 2922415 or email carmel.smithson@icaew.co.uk

Friday 19 March

The Southern Society Annual Dinner

Will be held at St Mary's Stadium (Southampton Football Club). The evening's theme will be a 'school disco'. For further details contact Zaenia Wood at zaenia.wood@kpmg.co.uk

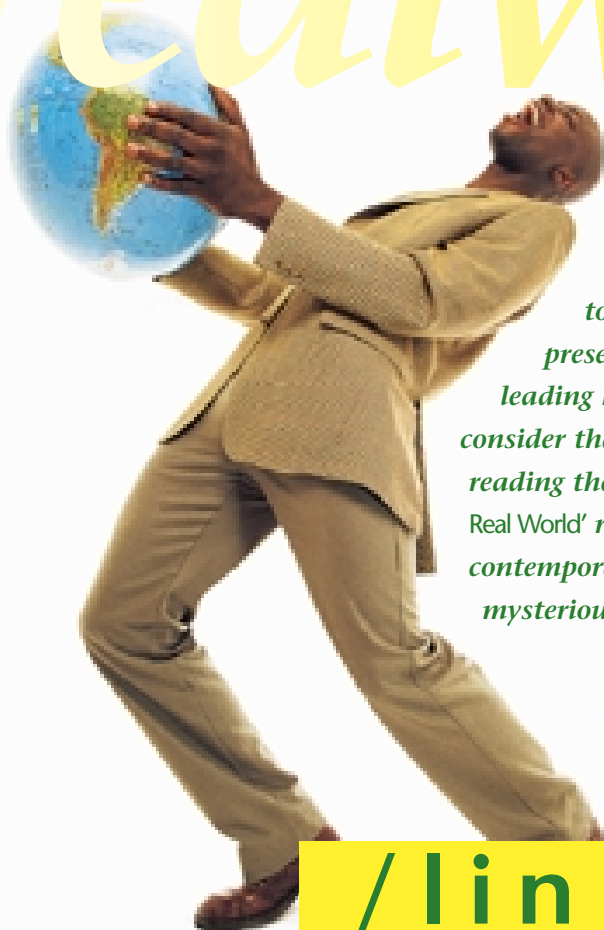
Friday 26 March

The CASSL Masked Ball

At the New Connaught Rooms, 7.30pm - 3.00am. Tickets are £35 CASSL Members, £40 Non Members or £330 for a table of ten with at least 5 CASSL Members. Includes pre-dinner drinks, 3-course meal, half a bottle of wine, disco, casino and other entertainment. Tickets on sale from January, contact Georgina Limbert on 020 7556 7764 or email georgina.limbert@icaew.co.uk

To find out what is happening in your society go to [/students](#), click on **professional** or **advanced stage** and select **student societies** from the menu

realworld



"The links between exam performance, professional development and real life experience cannot be underestimated. 'Links to the Real World' is an important tool in bridging the gaps between these three areas. It presents a database of relevant articles from the country's leading business broadsheet; each with a list of points to consider that helps the student to get the maximum benefit from reading them. I recommend that all ACA students visit 'Links to the Real World' regularly. Apart from providing a summary of contemporary business issues, it may offer a rare glimpse into the mysterious minds of the examiners."

Michael Walby

National Exam Training Manager, KPMG

/links to what?

The ICAEW have an agreement with the Financial Times which means we can publish FT articles on our website. This enables us to highlight the latest business issues and give you guidance on their relevance to your studies.

These articles are reproduced in their entirety in 'Links to the Real World' and come complete with points for consideration.

Reading the articles and considering the highlighted issues will help you to develop the skills you need to operate effectively as a Chartered Accountant by assisting you to:

- understand your studies
- apply and explain your knowledge
- see how the detail fits into the big picture.

For those of you studying for Professional Stage exams you will see that we have cross-referenced the articles to the relevant Professional Stage exam subject. Whereas for those of you studying at the Advanced Stage, the articles highlight the relevant section of the Advanced Stage learning materials.

To view

Links to the Real World

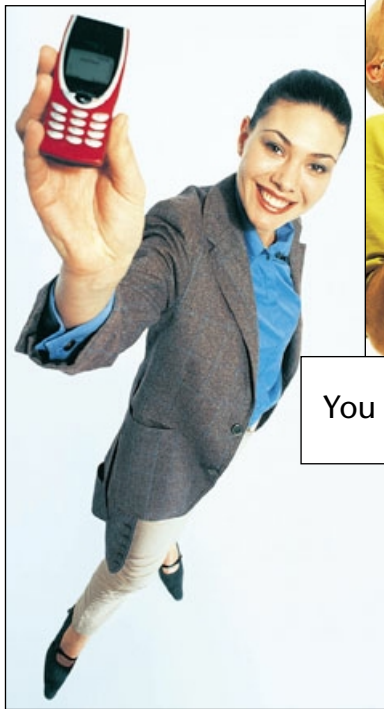
you will need to be logged onto [/students](#) using your student number and website password.

Both of these were sent to you shortly after registration. If you have lost your student number please contact the Student Support Team by phone: +44 (0) 01908 248040 or email studentsupport@icaew.co.uk

To access your password please go to [/students](#) and click on forgotten password?

Waiting for results?

Don't forget you can sign up to receive your results by email or text message. Using your student number and password logon to **/students**, **exam applications**, **results notification**. The deadline for registering is 9am on the Monday before the results release date.



You passed

