

New faces

Meet the new chair and vice-chair of the ICAEW Student Council

Cryptic clues

How cryptocurrencies should be treated on balance sheets

Testing, testing

Creating Professional and Advanced Level exams

Fit for change

The charities combining exercise with social purpose



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THE ACA

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Welcome

to the October edition of *Vital* and, as many of you will be new faces, to the profession



It's that time of the year when we're fortunate to welcome new students who have decided to embark upon becoming an ICAEW Chartered Accountant. As I'm sure you're aware, you are at the beginning of a journey culminating in a world-leading professional qualification and becoming part of a community that will support and nourish your career. And what a journey it will be. But what, exactly, do you have to look forward to?

In this issue, we speak to students at all stages of the ACA, from those just starting out to those a little further down the track, and to members who, now in the next stage of their careers, reflect back on their studies. All discuss their experiences and share their top tips for success.

We've also got information about Certificate Level exams,

and what is changing in January 2019 as well as tips on how you should approach them. Also in this edition we consider one subject likely to impact your future careers and the profession as a whole, namely the impact of cryptocurrencies and how the profession will account for them in financial reports. Alongside this we look at how you could make use of a secondment later in your career to experience a different workplace culture and environment.

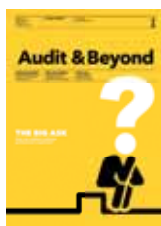
Finally, as winter approaches, going out for a jog might not be top of your list of priorities, but we consider how sports can be beneficial to both employers and employees, and speak to some inspiring organisations that aim to not only help people keep fit, but to try and bring about meaningful social change too.

For those of you new to the ACA and to *Vital*, I hope you enjoy your first edition, and as always we like to hear from you, so get in touch with your thoughts on vital@icaew.com

Marie

Marie Lake
Vital Editor

FROM THE FACULTIES



Audit & Beyond

Responsible individuals, as much as anyone else, need to keep on top of professional development. But, there is more to this than just keeping technically competent.
icaew.com/AFF



Taxline

In September, *Taxline* considered how incoming tax policy changes focusing on deterrence are likely to bring about significant changes for landlords in the buy to let arena.
icaew.com/TAXFAC



GENERATION WEALTH

Documenting modern society's obsessions with material possessions and the desire to be seen as wealthy. *Amazon Prime*



WILD, WILD COUNTRY

The unreal story of the creation and collapse of guru Osho's supposed utopia in the Oregon desert. *Netflix*



DISPATCHES: HOW TO LOSE SEVEN BILLION POUNDS

A deep dive into the collapse of Carillion. *All 4 On Demand*



LADIES FIRST

The inspirational tale of Deepika Kumari, born in poverty in India, and her journey to be world archery no1. *Netflix*



KING IN THE WILDERNESS

Charting the final 18 months of Dr Martin Luther King's life before his assassination in 1968. *HBO*



BANKING ON BITCOIN

A look into the development of the disruptive technology that is revolutionising the future of transactions. *Netflix*

Editor's picks



With the nights drawing in, we've picked out some thought-provoking documentaries to watch from your sofa



THE DEFIANT ONES

The humble beginnings and meteoric success of music legends Dr Dre and Jimmy Iovine. *Netflix*



JIRO DREAMS OF SUSHI

The story of a three Michelin star restaurateur who runs a sushi restaurant in a Tokyo subway station. *Netflix*



DARK MONEY

This documentary investigates the untraceable corporate funds used to influence US elections. *PBS*

In Review

ALL YOU NEED TO GET STARTED

Welcome to all our new ACA students. You are now training for our world-leading professional qualification, the ACA, and have joined a global community of over 27,000 students. Check out the resources available in the useful links section and the training opportunities such as free Excel training until 2020. Explore this and more student benefits available to you at [icaew.com/studentbenefits](https://www.icaew.com/studentbenefits)

ONLINE TRAINING FILE - IS YOURS READY?

You can submit your online training file for final sign off when the end date of your training agreement arrives. You can also submit your training file when you reach your end date but still have an exam to pass (ICAEW will review your training file as soon as you pass the exam). Here's a reminder of what you need to do at the end of your ACA training.

- Submit your training file for final sign off. Your employer or principal will then provide the final sign off within your file.
- ICAEW will then review your training file. This can take over 12 weeks at peak times.
- Once verified you'll receive an invitation to membership by email, we may contact you during the time when reviewing your training file with queries, which will need to be resolved within your 12-month window.
- Apply for membership using the link within the invitation email and make your payment.
- Remember to complete all these steps within your 12-month window.

You can only use the ACA designation and call yourself an ICAEW Chartered Accountant once you become an ICAEW member. You must submit your training file as soon as possible and complete all the steps above within 12 months to avoid penalty fees. The 12-month window will start at the end of your training agreement or the date of your last exam pass.

Ensure your contact details are up to date so you don't miss your invitation to membership or any other communication from us during the time we're verifying your records. You can check and update your contact details via your online training file. Find out more at [icaew.com/apply](https://www.icaew.com/apply)



KEY DATES AND DEADLINES

24 September-29 October

Exam booking open for December Professional Level exams

9 October Advance information will be posted for the November Case Study exam

19 October September Professional Level exam results released

5-7 November Advanced Level exams

3-5 December Professional Level exams

14 December November Advanced Level exam results released

Book your exams via your online training file at [icaew.com/trainingfile](https://www.icaew.com/trainingfile) and for exam results visit [icaew.com/examresults](https://www.icaew.com/examresults)

It is essential that you book your exams early, as after the exam booking deadline no late bookings will be accepted. Keep updated with the key dates and deadlines you need in 2018 and 2019 at [icaew.com/exams](https://www.icaew.com/exams)

FOR STUDENTS BY STUDENTS

As an ACA student, you automatically join your local ICAEW student society free. Run by students for students, your local society organises events and activities, giving you the opportunity to meet people who are also studying for the ACA and develop those all-important soft skills.

Find out about any of the events and how to get involved at [icaew.com/studentgroups](https://www.icaew.com/studentgroups)

ONE YOUNG WORLD

The One Young World (OYW) annual summit is taking place this month in the Hague, the city of peace and justice. Ali Qasim at Rothschild & Co will be the ICAEW and Chartered Accountants Worldwide OYW Ambassador. Building a better place is the focus of this year's summit and we're looking forward to hearing about Ali's experience and what he gets involved in. Keep posted as updates unfold at [icaew.com/charteredstar](https://www.icaew.com/charteredstar)

If you are interested in getting involved in the 2019 OYW summit, look out for information in early 2019.

USEFUL LINKS

Track progress of your ACA training at [icaew.com/trainingfile](https://www.icaew.com/trainingfile)

Explore the useful exam resources while you study at [icaew.com/examresources](https://www.icaew.com/examresources)

Read our series of how-to guides on all aspects of ACA training at [icaew.com/how-to](https://www.icaew.com/how-to)



COMPUTER-BASED EXAM UPDATE

All ACA exams are now computer-based with the exception of the Advanced Level Case Study exam, which will move in July 2019. You should prepare for your exams as you do normally and ensure you

are familiar with the exam software. Get prepared at icaew.com/cbe

Look out for email communications from us in early 2019 with more information and resources available to support you when preparing for the Case Study exam.

AUDIT INSIGHTS: INVESTMENT MANAGEMENT

The investment management industry is in demand due to changes in society and public policy measures, which presents new business opportunities.

Will investment managers meet our needs?

Increased life expectancies, decreasing state provision and the demise of defined benefit pensions mean more people than ever before are facing an uncertain retirement. Investment managers must be ready to use their expertise to serve everyone with increasingly personalised products and services.

How do managers earn their money?

Clarity is needed about fees, business costs and how to interpret investment performance information.

Will technology help?

Digital platforms, robo-advice and artificial intelligence can make investment accessible to all. The industry must invest in technology to appeal to digital natives. Providers must seize growth opportunities before core consumer brands disrupt the market.

Providers must change their attitude and approach to meet their own needs and ensure customers understand what is happening with their savings and investments. Technology will help. Individualised services are too costly for many people. Exploiting technology to make the industry more approachable and accessible will help firms grow – and customers save and invest.

This executive summary was taken from the *Audit insights: investment management* report. Read the complete report at icaew.com/auditinsights



SARAH GHAFFARI THE LOWDOWN

ICAEW tax manager Sarah Ghaffari answers our questions

Can you briefly describe your role?

I am a technical manager in the Tax Faculty, which means I am a tax communicator. I produce technical guidance for our members working in tax, present webinars and speak at events. I also talk to local and national press and work with the Treasury and HMRC on tax policy.

What's the best part of your job?

Knowing that I have helped a member with a technical query – it is very satisfying. I enjoy speaking to the media too and writing articles for tax magazines.

What do you find challenging?

The Tax Faculty is ICAEW's voice on tax. We represent over 150,000 members so there are a lot of views to consider.

What is the key to your success?

Be pragmatic and realistic. Tax is very demanding – it affects everyone – but we cannot solve the world's problems alone.

What is the key to healthy work-life balance?

I have quite a long commute so I try to bunch all my London meetings together on the same day so I can work from home twice a week.

How do you relax outside work?

I love going to the gym (boxing is my favourite sport) and being outdoors, especially horse-riding. And who doesn't love a holiday?

What advice do you have for students?

Answer the question asked, not the one you want to be asked. And listen to your tutor.



Welcome aboard

The ICAEW Student Council's new chair, Esther Leung, and vice-chair, Jake Holdroyd, talk to us about their hopes for their year in the roles

When Jessica Bernardez was chair, there was a lot of interaction between societies and we learned from each other. There are so many good practices we can share. I wanted to be in that position where you can bring everyone together.

I also wanted to be a voice for younger members and students on the ICAEW Council. In my opinion it's got an image as being for a slightly older generation. I think ICAEW recognises that's not entirely representative, so it really encourages younger members. Getting to experience everything that goes on in Council is a whole different world and very exciting.

What do you hope to achieve?

I want to do more in terms of promoting student societies and encouraging more conversation between them, as well as the social side of things. As I've recently qualified and moved into industry, I want to encourage more connection with younger members and those who have moved into industry. While we're very connected during training and at later stages in our careers, there is a whole generation who are lost in between. I'm based in Bristol and we launched a younger members group towards the end of last year. I'd like to do more on that.

What does the ICAEW Student Council mean to you?

It is a great way of getting students involved with ICAEW, as they provide more than the ACA, and are a way of creating more of a connection, whether that be help through CABA, help in training or the dissemination of important information.

More recognition should be given to those who are on the Student Council. They give up so much of their time and the effort they make should really be appreciated. I'd like to give a huge thank you to everyone for their support as we really value their input.

THE CHAIR OF THE STUDENT COUNCIL

ESTHER LEUNG

FINANCE MANAGER, DANONE, Bristol

How have the first few months been?

I became the chair of the ICAEW Student Council in April and it has gone so quickly. We had our first meeting at the end of June. I had my first ICAEW Council meeting and council conference since. It was really good to get everyone together and start owning the decisions.

What did you discuss?

We had a session with CABA that raises awareness of what they provide. It's amazing how many people are unaware of the services it offers surrounding mental health and wellbeing. I'm definitely trying to support it.

Why did you want to be society chair?

The position provides a great overview of the societies. And one of my key motivations is bringing people together.

Find out more on the ICAEW Student Council and student groups near you at [icaew.com/studentgroups](https://www.icaew.com/studentgroups)

THE VICE-CHAIR OF THE STUDENT COUNCIL

JAKE HOLDROYD

TRAINEE ACCOUNTANT, PAGE KIRK,
Nottingham

How have the first few months as vice-chair been?

Really good. I've enjoyed getting involved and working with Esther more. We've been working on the agenda for future meetings. It's good to be able to decide what is most relevant for students to see.

What was your first meeting like?

We had a great CABA talk on resilience. It's always nice to see CABA and we want more of those talks as students really benefit. We're also trying to push CABA talks more generally in the other cities, as it's hard to promote something that you've not been to.

What does your role as diversity champion involve?

I've been going down the social diversity route, attending schools and giving talks about accountancy. I've done a few of these in the Nottingham area as well as attending careers fairs with ICAEW. Also, I was a judge for ICAEW at the Pathways to Banking & Finance National Conference, for teenagers whose families never went to university but they're considering it. I really enjoyed it. I speak to individuals interested in being diversity champions. It's good to involve others, as I can't reach all around the country.

Tell us about your work plan to address mental health.

It's one of the biggest things we're trying to push, to be honest. CABA is a free service and has so many great talks. One of the most important things is involving societies up and down the country. And the good thing is they're already pretty switched on and wanting to do it, which is positive. We're also hoping to push Mental Health Awareness Week and alert people to it more. We want to let people know there are a lot of resources, as some people don't know that CABA exists or

they've got a free phone number for example, so it's just about getting that out to individuals.

What have been your highlights?

One was Esther and I giving a speech at the AGM when we were elected. We also got to meet Paul Aplin, ICAEW President, and it was really nice to chat with him and to get his email. It's good to have a connection to someone in that position. It was nice to address everyone and give my ideas. It's good to see that the whole ICAEW Council is on board for next year.

What does the ICAEW Student Council mean to you?

It's a really good place for like-minded people, who are ambitious and want to help others, to get together and try to make some changes for the benefits of all the students. There's a real sense of community in that respect.

"One of the most important things is involving societies up and down the country"





Out with the old...

With a syllabus shake-up coming in January 2019, we take you through the changes to the Accounting learning materials and exam

Accounting practices are evolving, but the fundamentals remain the same. We've recognised this with the following changes to the Certificate Level Accounting syllabus for 2019.

First, the syllabus weightings have changed to allow for core accounting issues in relation to revenue recognition and provisions to be covered in more depth. IFRS 15 will also be examinable from 2019. This will impact on how discounts allowed and discounts received are accounted for, with no separate accounts for these items maintained.

However, the main change is that we acknowledge that businesses use computerised accounting systems to process transactions. You can therefore expect the following modifications.

1 There will be no reference to books of prime entry, as transactions are entered directly into and processed automatically by the system.

2 Suspense account errors (where debits do not equal credits due to single-sided entries), posting to the 'wrong' side of a nominal ledger account or mismatching

figures will no longer arise. However, the suspense account as a 'holding' account where a business enters a transaction until an appropriate ledger account is identified, can still arise.

You will be examined on:

- situations where transactions have failed to be entered into the system;
- allocated to incorrect ledger accounts; or
- where an incorrect amount for a transaction is entered.

3 There will be no reconciliations between control accounts and individual receivable/payable ledgers as these are effectively maintained simultaneously using a computerised system.

4 Bank reconciliations will have fewer references to cheque-based payments to reflect their infrequent use as a means of payment.

The ICAEW study manual and question bank, along with the online resources, are all updated to accommodate these changes and to prepare you for your exams in 2019. For more information visit [icaew.com/examresources](https://www.icaew.com/examresources) ●

2019 LEARNING MATERIALS AND SYLLABUS

Each year, the syllabus and the learning materials are reviewed by our examiners. The syllabus aligns the learning materials and the exam questions, so the examiners ensure the learning materials have what you need for your exams. It's therefore important you use the correct edition to study, as these reflect changes made to the syllabus, legislation and the way you're assessed.

Don't forget the wealth of fantastic resources available on the ICAEW website. Here you can see the syllabus, questions in the practice software, errata and much more. Visit [icaew.com/examresources](https://www.icaew.com/examresources) to see all that is available to you.

STUDENT TIPS**VISH JILKA**
Student, EY

My exam preparation was to initially understand the make-up of the exam and to use the plethora of resources such as the question banks and webinars, that are particularly useful for those long-form questions.

The interactive questions in the study manual are a good stepping stone to develop your knowledge.

Timed question practice is critical. Don't worry if you find some questions difficult. The key is to learn from your mistakes and be ready to tackle a similar question if and when it appears.

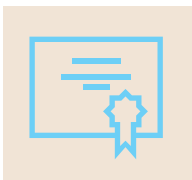
Keep going. Coming from a non-accounting background I found it difficult to grasp certain concepts. Be sure to have plenty of breaks and come back to topics that you find more difficult with a fresh pair of eyes.

**NATHANAEL LEE**
Training for ACA as part of the Level 7 Accountancy Professional Apprenticeship

Question practice couldn't be more crucial to success. For each exam, you should be going through the question bank two or three times. For every question you get wrong, read and write up the explanation in the back of the question book.

Try to quickly recap each chapter before attempting the question bank. This will bring topics to the forefront of your mind. Chapter by chapter you quickly become confident, leaving nothing to phase you in the exam.

These exams are computer-based but do not forget to use the paper for your workings and number them, as you may want to look back. For questions you are unsure of just be sure to put something. Use the software to flag these questions and return later. Do not waste too much time on one question.

**TUTOR TIPS****MATT DYSON ACA**
Director and tutor, First Intuition

Read the requirement very carefully. With calculation questions there are many opportunities for confusion.

Manage your time. You might have an average of two minutes and 15 seconds per question, but some will take longer than others. If you get stuck on a question make a note of the number and move on, revisiting if you have time.

You may be asked to choose one or more correct statements from a given list. If you are unsure about one or more, move on and deal with those you agree with.

If you think you will run out of time, stop five minutes before the end and guess any remaining answers – you have a one in four chance of getting those questions right. It could make the difference between a pass and a fail.

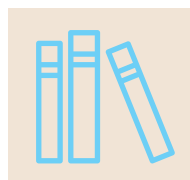
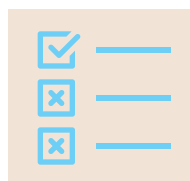
Don't struggle alone. It is important to talk to your tutor so you get the right advice to get you back on track.

GINNY BRADWELL FCA
Managing director and tutor, First Intuition

To ensure that you get off on the right foot, it's worth thinking about how your professional studies are much like learning to drive. Trust the voice of experience – be it your tuition provider, employer or colleague. Like a good driving instructor they have experience supporting students through these exams. When you're given advice about how to perform a calculation or how to manage time, it really is worth taking.

Remember that you don't necessarily need to understand how something works to be able to use it. Many would struggle to explain how the internal combustion engine works and yet can drive very well. Initially when learning double entry bookkeeping some struggle by trying to understand the logic behind the principles. Accepting that it works and focusing on learning how to use it is a far more efficient approach.

Question practice is key. Tempting as it is to write out your notes in pretty colours on cue cards it won't help you to pass. You learn to drive by practising, not writing out all the theory. Remember that there are many people who can help you to pass. The ICAEW resources and the support of your tuition provider are all there for you.



Preparing for your Certificate Level exams

The Certificate Level of the ACA qualification is robust and challenging. Here are some tips from current students and tutors to help you achieve the success you deserve

As a registered ACA student, you have access to some fantastic resources. In addition to the ICAEW study manuals and question banks, each Certificate Level module has a study guide, sample assessments and syllabus. You can also see if there has been an errata sheet issued – where any errors within the hard copy materials are highlighted – and past Vital articles written by tutors or examiners. Take a look at [icaew.com/examresources](https://www.icaew.com/examresources)



DESIGNED

TO

BE

TESTING

Richard Eckersley, head of assessment at ICAEW, follows up his April article in *Vital* by explaining what goes into creating your Professional Level and Advanced Level exam questions

The scenarios are expertly constructed, with examiners drawing on their experience to provide pathways through the scenarios and ensuring marks are available to cover the breadth and depth of knowledge and skills. They will also ensure as they write the questions that they're an equal challenge to past and example exams, and that over time the full syllabus is covered. Be assured that all syllabus content is examinable.

STUDENT AND TECHNICAL MODERATION

To ensure the questions are correctly calibrated we invite a select group of recently qualified students to sit the exams as testers. This process helps us refine the scenario, ensure requirements are clear and concise, and monitor issues such as time pressure, differentiation and detailed mark allocation.

As well as helping with precision, we're looking for anything that might trip up students who take an unexpected route through the scenario, and we can adjust questions or ensure different variations are captured in the marking scheme.

The technical moderator is a "professional" exam sitter - someone experienced in the field and in exam design - and we're looking for them to ensure all the marks are technically achievable, with accurate associated answers presented in marking schemes.

EXAM REVIEW BOARD REVIEW AND CRITIQUE

One of the key stages of question development is the Exam Review Board because it draws in many expert perspectives and acts as an approval board for the exams. All the exam writers for a particular session (for example, June 2018) meet together in person to discuss the questions and exams are reviewed page by page. The exam writers will have reviewed all of the other exams in advance, and feedback is provided on each exam so that a broad range of expertise is brought into the development process. The Exam Review Board has access to the feedback from students and technical moderations and any decisions

"Scenarios are expertly constructed, with examiners drawing on their experience to provide pathways through the scenarios"

Thousands of exams are sat at every Professional and Advanced Level exam session, but before you sit yours, ICAEW goes to great lengths in ensuring it is an appropriate challenge, testing your knowledge and skills in the subject area.

For each question "paper" (the debate on whether our computer questions are still papers is ongoing) we have an exam team which sets the questions, are experts in their subject, and are experienced exam writers and markers. The exam team report to a senior moderator who chairs the Exam Review Board, which is responsible for approving the exams.

The role of these teams and the Exam Review Board is to ensure that the technical content is accurate and in line with the learning materials, that the exam reflects the syllabus requirements over time, and that the marking scheme is accurate and takes account of valid approaches to the questions you are set.

The exam development process has several stages, and starts with one of our subject matter experts creating a scenario around which the technical requirements of the question are built. The whole process takes several months and input is needed from several sources. The key stages are as follows.

INITIAL DRAFTING AND EXAM TEAM REVIEW

This is just as it sounds, with the examiner and moderator leading the construction of the exam scenarios and requirements, with associated marking schemes. This is the team that will also lead the marking process and ensure that the pass/fail decisions are absolutely accurate, giving a consistent approach throughout content development, marking and results issue. Although there will be many changes as the exams are developed and improved upon, this initial process will form the basis of the exam you sit.

arising from them that may lead to key changes in the way questions are presented to ensure they are accessible, realistic and suitably challenging. The Exam Review Board often generates a healthy debate on the exams and how students will receive them.

At the Advanced Level, the Exam Review Board meets twice during the development process, reflecting the complex challenges both in writing these exams and in developing the marking schemes to fairly grade your responses. For example, the review process around the Case Study Advance Information, the exam requirements and the linkages between the two is highly detailed. This time is essential to ensure we create a suitably complex and realistic business scenario to enable you to demonstrate your skills to the full.

FINAL AMENDMENTS AND CONVERSION

Before the exams are finished, all of the queries and amendments from the previous processes must be incorporated, and a further cold review undertaken to ensure none of the changes made have unintended consequences. They must then be converted into a data format for presentation on our exam software. The final sign-off of the exam takes place against that version - so the version you see on screen is the exact version the examiner has confirmed as your exam requirements. We do this because any change when we convert the information could be important, even a misaligned table could lead to confusion.

So now your exam has been through all of these quality checks and is ready for you to sit. The final stage is for you to book on to your exam. The question paper will be loaded within our exam software at your exam venue, where it is locked and encrypted until the exam start time and you will be able to access the exam with your details and the PIN code. That is except for the Case Study, where the Advance Information will also be distributed before the exam session and you'll sit this on paper, until the July 2019 exam session. Good luck ●



ACA students and ICAEW members reveal their advice, along with some top tips, while sharing their experiences with Danny McCance

Over the course of your ACA training, you'll take on a wealth of information, learn a variety of new skills and technical knowledge, gain hands-on experience in the workplace and develop your ethical know-how. It is not for the fainthearted, but with support from ICAEW, tuition providers and employers, you will reach the end goal of becoming an ICAEW Chartered Accountant. So what is the ACA journey like?

STARTING AT THE BEGINNING

"You're thrown straight in," says Matthew Armitage, who is in his fourth year of a five-year training agreement with BDO. "It's not a case that you're new and you can take a back seat. With BDO anyway, you're thrown straight into a client-facing role." Armitage started his ACA after deciding university wasn't for him, but that an apprenticeship scheme with BDO was. This meant alongside studying, he also had work to do at the firm. "Because you're so client facing at the beginning it helps with what you've learned at college, as you start applying it to your day-to-day job and suddenly things become a lot clearer," he adds.

For Luke Sammut the problem was not so much in the studying, he had a background in accounting from before university and a degree in economics from the University of Malta, but in balancing this with work. "In the beginning the challenge came from working full time and studying at the same time," says Sammut,

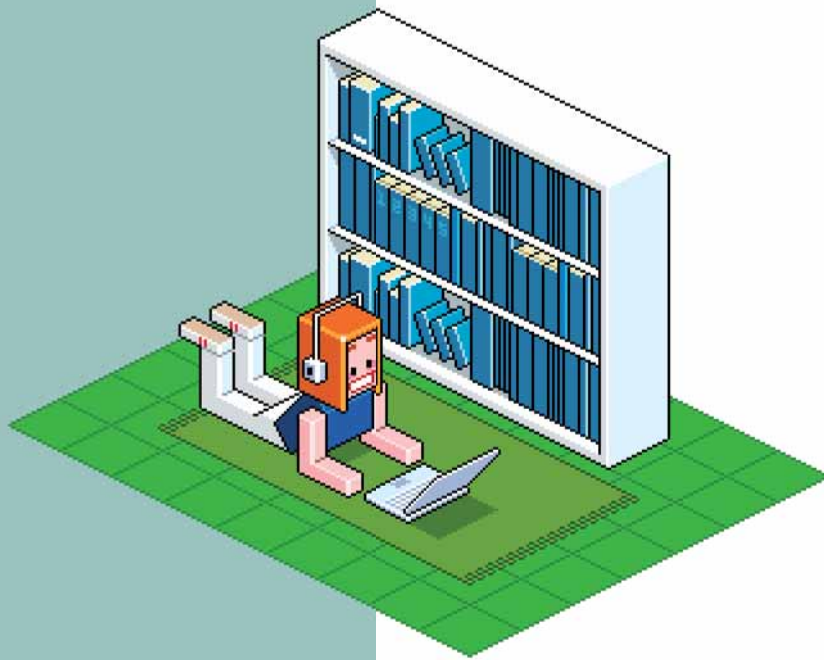
who had a training agreement with PwC in Malta at the time. "This was new for me."

He quickly came to realise that as well as studying, he would have to learn the ropes of a new role. "If you work for PwC it becomes apparent that your work life will be quite busy. But at the end of the day it's an advantage as when you work and study at the same time you have a combination of practical work experience and studying, it's not only about books," Sammut says.

Ashweena Atchanah, senior associate at PwC Luxembourg, took a different approach, choosing not to work in her first year. "I wanted to complete the Certificate Level so that I would get the necessary knowledge and it would be good to have on my CV so that an employer would be interested," she says.

Atchanah studied with Grant Thornton Business School in Mauritius and completed her qualification in 2016. She attained a training agreement with BDO after completing her Certificate Level. Her high school accounting experience put her in a good position. "I didn't find [the Certificate Level] too tough, especially as I wasn't working, so I had a lot of time for studying," she says.

Ankit Patel, an independent student, said the first few months required a methodical approach. "It was initially about trying to understand the material and so areas I didn't feel comfortable with I would raise on the online student forums and with ICAEW. That's how I went about it," he says.



"You get to meet people from all these different firms, so just make friends and network with these people"

The ACA qualification has four core elements that you will need to successfully complete in order to become an ICAEW Chartered Accountant. To help you progress with each element, you can find lots of information on the ICAEW website from exam resources, guidance on professional development, ethics, six-monthly reviews, how to update your online training file and apply for exams to key dates, how-to guides and more. Visit [icaew.com/dashboard](https://www.icaew.com/dashboard)

Patel, who has completed 12 of 15 exams and is entering the Advanced Level, says that his initial workload would also include doing as many practice exams as he could.

For Angela Scott, the opening stages of her ACA were different again. Scott, who studied her ACA through the Lloyd's graduate scheme, only had to take two of the six Certificate Level exams, having four exemptions from her degree in accounting and finance.

"I found them OK because they were not too intense. And we did have a two-week residential stay for those as well, which was quite good," she explains.

TAKING IT UP A NOTCH

However, there is more to the ACA than just studying. Octavia Tenga, a level two associate at Grant Thornton, recalls how an enjoyable aspect of her experience was adjusting to having a full-time job.

"In our first week we had training then went straight into college and straight into work. I actually really enjoyed it, and enjoyed the work, going out to see clients," Tenga said. For her, the ACA was also about getting to know like-minded people. "You get to meet people from all these different firms, so just make friends and network with these people. Use it as a chance to enjoy yourself," Tenga says.

And for Atchanah, her experiences at work helped her development too. "I would say for my daily interaction with my client I was able to enhance my skills," she explains. And, in turn, her studying fed back into her professional life, as what she was studying improved her ability at work. "I was more confident because I had more knowledge about what I was

doing, and was able to show more confidence to the people I was dealing with," she said.

However, the Professional Level was a challenge for her at first, as it was the first time she had to work and study at the same time. Having started in a position at BDO after spending her first year studying, the next step provided added challenges.

"At first it was tough to cope with the two," Atchanah recalls. She also had to adapt to the increase in difficulty, noting that the Professional Level was more structured and technical than the Certificate Level, "which meant you had to be more focused." You must be motivated to do what you're doing, she says.

This rang true for Emma Gurney too, who chose to do PwC's Flying Start programme, which meant she studied the ACA alongside a degree in business and accounting at the University of Reading. Gurney did not have any placements at PwC in her first year, and her time was spent studying towards some of the Certificate Level exams.

"The first placement came in the second year in the second term, and that was a very big learning experience," Gurney explains.

LEARN BY DOING

There is still the challenge of juggling work and life commitments with study. "By the time you're coming to your first Professional Level exams in June, you're coming towards the end of that year's placement, by which time the expectations are substantially higher - you'll have an established role in the team and outputs that you have ownership for. I found that was quite challenging. I still really enjoyed the content, but just the level of that content was the biggest challenge I think," Scott explained.

The increasing workload was felt by Patel too, as was the challenge of fitting in the extra study around his job. He suggested that the time period given in which to study for the exams was well matched to what needed to be learned, "as the learning materials on the Professional Level is considerably more," he explained.

The transition between levels was noticeable for Armitage. "It was a step up definitely, just because of the breadth of knowledge you're expected to have," he recalls. "But you're also given a lot more time to process it."

For Armitage, this was a pivotal point in the process. "I think the first exams in the Professional Level are really important. You shouldn't be afraid to make mistakes and learn from those, especially with your revision technique," he adds.

According to Ngan Chau, an assurance associate at PwC Vietnam, the Professional Level exams were considerably more testing than previous ones. “It was challenging and overwhelming when the study materials and exam structure demand significantly higher requirements,” she says.

Chau, who is part way through the Professional Level, having taken eight exams so far, believes that the Professional Level requires practical analysis skills as well as work experience. She also feels that there was a challenge getting used to computer-based exams and essay-style writing, though she did so after a month of practice.

A DIFFERENT PROCESS

For some, the pressure of the Professional Level was not necessarily the same. “I actually preferred the Professional Level to the Certificate Level,” says Tenga. The Certificate Level is knowledge based, whereas the Professional Level is more skills based, so you are given more freedom in your responses.

“[The Professional Level] allows you to be a bit more creative and I’m quite a creative person - I like the idea of being able to give an answer that’s not a set answer. Financial Accounting and Reporting was one of my favourites because I could apply it to real life,” says Tenga, who has a training agreement with

Grant Thornton and just one more Professional Level exam to sit before starting the Advanced Level.

Sammut also embraced the challenge, saying: “The levels do get harder. However, I think the programme is structured well in the way that it leads you through these stages.” He says the ACA provides the much-needed background in Certificate Level - which according to Chau is a “comprehensive introduction to the overall picture of the economy in which accounting, finance and business are highlighted” - while the Professional Level picks up where this leaves off. “It does get more challenging, especially with time during the exams, especially at the Advanced Level,” Sammut warns.

And there is also so much more going on at this point, elements such as ethics are a big part of your learning process throughout. “The work we do is often in the public domain, so it’s vital that as members of ICAEW we are aware of the principles and frameworks we need to be following,” Armitage notes.

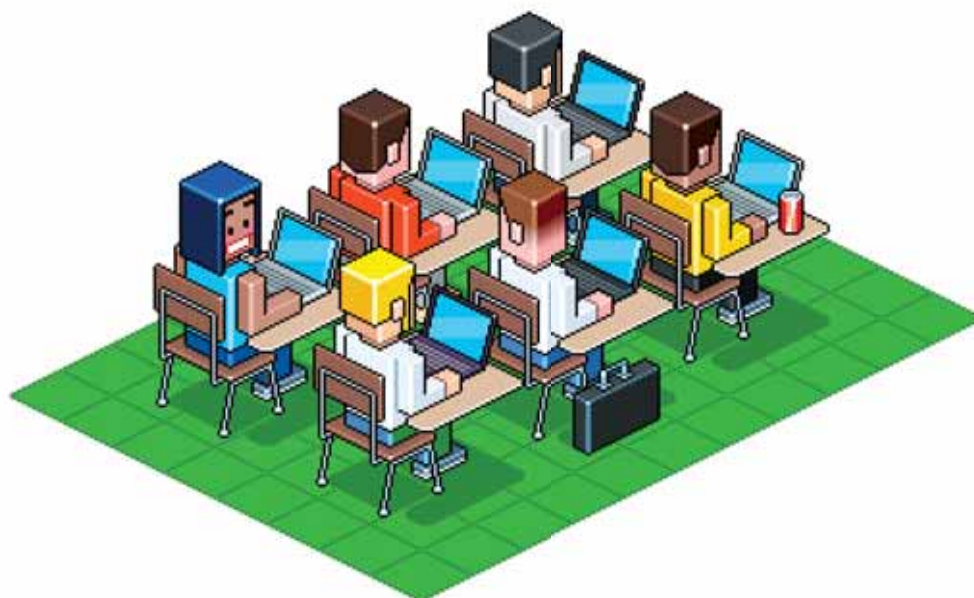
It’s these crucial elements of being a chartered accountant that are learned both within the curriculum, and while on the job. “There are principles and frameworks we get taught and examined on, in every exam and as part of a training agreement. We must then fill in ethics sections as part of our continuing development,” Armitage says. At BDO for

GUIDANCE FROM ICAEW

Shaun Robertson, director of education and qualifications at ICAEW, says keeping a focus of technological advances is key. “Knowing how to adapt to changing circumstances, engaging with technology and communicating effectively are essential skills to develop as an ACA student, especially being able to interpret and tell the story behind the data. Technology will continue to advance and change the way we work, and the pace isn’t going to slow down. So it’s important for you to develop the skills you need to thrive in a changing landscape not just as you train but throughout your career.”

Hazel Garvey, ICAEW’s director of business development, says become a member as soon as you receive your invitation to membership from ICAEW. “The day you receive an email from us confirming that you are invited to become a member, is one to cherish. All your hard work has paid off. You can become a member straight away, you just need to complete a short online form and pay your membership and admission fees. We will then send your membership certificate to you in the post.”

“It was initially about trying to understand the material and so areas I didn’t feel comfortable with I would raise on the online student forums and with ICAEW”



example, Armitage explains that he has an ethics partner to consult with, and online assessments to complete at the firm.

ONWARDS AND UPWARDS

"In the Advanced Level there was just so much content," Scott recalls. "I studied so much more for my ACA than I ever did for my degree. I was probably studying every day for about eight weeks, and you're working at the same time. You do just have to have the mindset of 'I'm going to have to let this be my priority now.' There isn't much you can do but keep going at it."

For Atchanah, her previous experiences provided benefits. "As I already had a taste of what it was like to study and work from the Professional Level it was OK at the beginning, except for the fact that the Advanced Level is much more difficult again," she recalled.

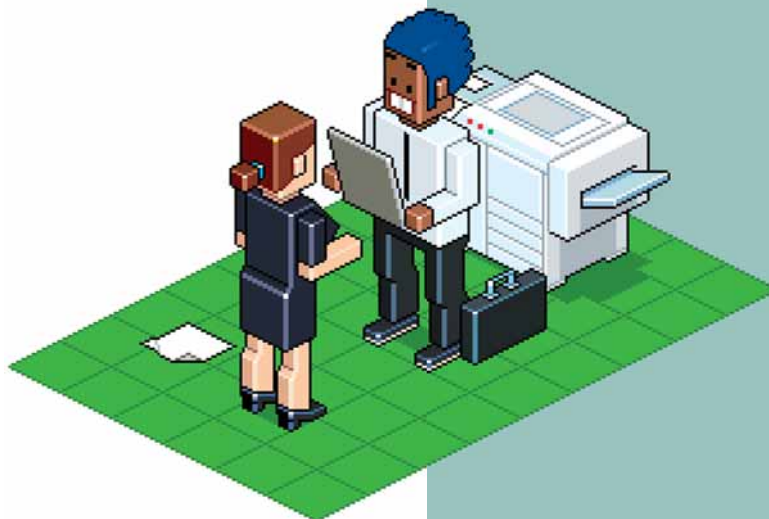
"Given the fact that I was working, I already knew what these situations [in the exams] would relate to, I already had the experience to understand the scenarios in the Case Study for example, or the business scenarios in Strategic Business Management," she added.

The biggest tip Sammut has is to focus on understanding concepts. "Just learning the books by heart will not work. If you focus on understanding the concepts and knowing how to apply them, then you'll progress in the ACA." This thought is mirrored by Patel, who feels his greatest achievement was teaching himself and overcoming certain blocks in his understanding, which as an independent student, he did not necessarily have someone close to help him with. "Overcoming that myself has been a great achievement," he reflects.

Armitage feels that an important part of the ACA is being able to put yourself in a position to meet the demands of working in a dynamic and ever-changing environment while exceeding expectations. "If I look at myself four years ago and what it's taught me - things you take for granted like time management, handling pressure, deadlines and juggling things day to day - it's transformed me," he says.

This transformational thought is something Gurney also identifies with. "What surprised me about the whole experience was that as you're going through all the placements, you were not just learning technically, but as you start coaching people, you're building on soft skills as well," she says.

"Also, remember to look out for and take any opportunities presented to you, as there are loads of doors that open for



ACA students, whether that's inside the workplace or out," says Gurney. The ACA, she thinks, has equipped her with the skills to take on the opportunity to become a trustee for a small charity outside of work.

And Tenga wants people to understand that failure happens, and is not the end of the world. "It's good for people to know it's OK not to pass everything and not to feel that pressure of thinking that you're not good enough because you failed some exams," she says. "It is also a learning experience, about learning how you deal with failure."

Tenga recalls that some exams feel like they went well but did not, while for others it was the opposite. "I have had times where I've wondered if it was all for me. But just thinking 'it'll be OK' when you finish, 'it'll be worth it' and how useful the qualification will be can motivate you," she says.

As a former deputy qualified person responsible for training (QPRT), a position required by any company offering the ACA as an ICAEW authorised training employer, Scott has an intimate understanding of the difficulties of the course from both sides. At Lloyds she would help support and manage any of the graduates undertaking the ACA. This included monitoring performance and exam results and meeting up with them to check on their progress, as well as helping them deal with any issues, such as underperformance.

So what's her best advice? "It really does have to be much more of a priority than you realise," she says. "There is a massive underappreciation of how hard it is." For Scott too, the ACA cannot come second to anything. "Just while you're doing it, make [the ACA] your number one focus and make everything else sit around that." ●

"Just learning the books by heart will not work. If you focus on understanding the concepts and knowing how to apply them, then you'll progress in the ACA"



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The science fiction author William Gibson once said: “The future is already here – it’s just not very evenly distributed.” The same could be said about the use of cryptocurrencies in 2018. Knowing about cryptocurrencies and how to value them is becoming an essential part of financial reporting.

Simon Johnson, professor of entrepreneurship, MIT Sloan School of Management, and a former chief economist at the International Monetary Fund, has just co-authored the report *How blockchain technology is changing finance* for the Centre for Economic Policy Research. Among other things, it is trying to find a consensus among economists, regulators and technologists on the regulatory standards around cryptocurrencies.

Johnson likens the current activity to the railway mania of the 1840s. Despite the many frauds and bad investments, an entirely new infrastructure was built that made a new era of innovation possible. “We need to protect investors, to ensure there’s reasonable disclosure to prevent scams taking place,” he adds. But his report does not conclude that new regulation is needed to do this, merely that existing standards should be applied rigorously and consistently.

Sooner or later cryptocurrencies will not just be the preserve of start-ups and entrepreneurs. While most

media attention is fixed on bitcoin’s valuation, or the 3,000 or so initial coin offerings (ICOs), much larger organisations are testing the water. In 2016, Cecilia Skingsley, deputy governor of Sweden’s central bank, told the *Financial Times* that the bank is considering issuing an “e-krona” because of a 40% drop in the use of cash since 2009. Denmark is also contemplating an e-krona, and even the Royal Mint is testing a gold-backed cryptocurrency.

The crux of the problem is that judgement is now required in interpreting financial standards and regulations because they were written long before the first bitcoin was issued. For accountants, whose clients hold or trade cryptocurrencies, there are three points that need to be addressed. First, how do you treat holdings of cryptocurrencies? Second, how do you treat the taxation of cryptocurrency mining (the process by which units of a cryptocurrency are generated)? And last, what exactly might an ICO be?

ON THE BOOKS

“I started getting questions: my clients have bought some bitcoin, some ripple, how do we account for it? When you start to think about it, you realise, there’s no particularly sensible answer because of the way that standards are written,” says Jake Green, technical

The crypto



Cryptocurrencies offer the potential to revolutionise finance, but how should

ILLUSTRATIONS BY HAWAII DESIGN

partner at Grant Thornton and co-author of the firm's report *Accounting for cryptocurrencies - the basics*.

Green is the go-to partner at Grant Thornton for tricky questions about reporting standards. As yet, he says, there's no easy answer to crypto questions. To start with, bitcoins (and the other varieties of existing cryptocurrency) don't fulfil the definition of a currency. "It's not issued by a state. It's not backed by something, for example by gold, or the ability to raise taxes. And most currencies are not nearly as volatile as a cryptocurrency, because cash is highly liquid and unlikely to change value massively in a short time," Green says.

Alternative reporting classifications aren't much more satisfactory. "It may be a financial instrument, but the definition of one of those would be that there is a contractual right to cash. There's no such contract when you own a cryptocurrency, just a shared understanding of how the system works. If you're a broker-trader, it's a commodity, but that implies that you hold the cryptocurrency only in the short term. Most of our clients are holding this as a long-term investment," Green explains.

Ignore obvious non-starters (biological assets, for example), and the only reporting category that remains in most cases is to account for

cryptocurrencies under IAS 38 Intangible Assets. But Green warns: "You have to be able to say you can measure fair value accurately. You can do that if there's a deep and liquid market, but even that comes with challenges, not least that cryptocurrencies are rarely exchanged for cash.

"If I buy and sell shares or options, there is an exchange for cash at some point, but if I am trading ethereum for bitcoin, there are cryptocurrencies on both sides of the exchange. Some would say that we should disallow all these transactions, and use only exchanges for cash for fair value."

That, however, in most cases would be neither a deep nor a liquid market.

THE CANARY IN THE COAL MINE

Another hard-to-report aspect is the problem that many organisations or individuals that are earning cryptocurrencies by mining are using their computers. Blockchain specialist Alex de Vries recently published an article in the journal *Joule* where he calculated that globally bitcoin mining at least consumes a comparable amount of electricity in a year as all of Ireland (2.55 and 3.1 gigawatts respectively). And this energy use is doubling every six months.



conundrum

they be treated on the balance sheet? Tim Phillips investigates

So, it's big business. But how should the benefits of mining be taxed? "HMRC has been very noncommittal on this," says Adrian Markey, a chartered accountant and crypto tax specialist based in Northern Ireland. He points out that the last HMRC guidelines were issued in 2014. Currently, mined cryptocurrency is classified as taxable income, and so the cost of the equipment qualifies for capital allowances. After that, it gets complicated.

For tax purposes, Markey says the most common treatment when holding cryptocurrencies is that they are treated as shares. In the volatile crypto world, this can lead to large tax bills - for example, when bitcoin's value peaked, some investors became liable for the capital gain at that level, even though the value of their holding rapidly halved.

For clarity, he suggests that miners immediately move the proceeds of their mining activity to their own wallets, where they become investment assets. But they still need to be valued at the daily average price at the time this occurred. With few cryptocurrencies directly convertible into a regular currency, valuation isn't easy. It is also complicated by the volatility of the industry. Exchanges come and go, and the records of trading prices disappear with them. So be careful with housekeeping, Markey advises; for example, downloading and saving records of prices at which clients traded in case they are challenged at a later date.

Also, in a trade from one cryptocurrency to another, the valuation of both the buy and sell sides has to be accounted for. This can create a large

administrative overhead in a world where automated trades and wild swings in value are common. "I have a client who has developed a trading bot, which is doing 200,000 transactions a month," Markey says.

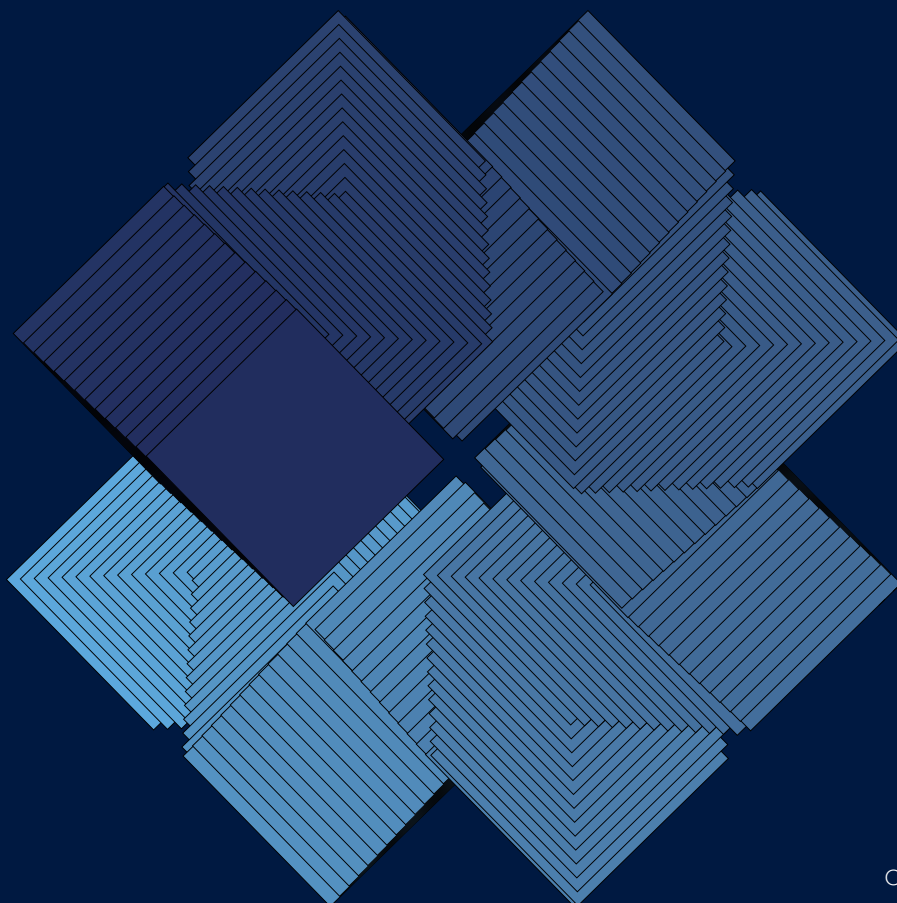
Stuart Airey, accounts manager at Accounts and Legal, explains why this is such a headache. "Every time you convert from one cryptocurrency to another, you are creating a taxable event, even if you didn't convert it into a fiat currency. And if you are mining a particular cryptocurrency, and then using these to trade for other cryptocurrencies, it may be the case that you are operating a second business - that of trading cryptocurrencies."

WHAT'S ON OFFER?

Since 2014, ICOs have been a spectacularly successful way for start-ups to raise investment capital. They issue crypto tokens on a blockchain, usually ethereum, and give them to buyers in exchange for making a financial contribution to the project. More than 3,000 ICOs have been published, with total cash raised around \$20bn, according to data from CoinDesk. But what is a crypto token as far as accountants are concerned?

There are two types of token. A utility token promises future access to the start-up's service. By doing this, they may avoid being regulated as securities. Security tokens, as the name suggests, represent a tradable asset and may be exchangeable for shares in the start-up at a later date.

For the most part, says David Lyford-Smith, ICAEW technical manager, IT Faculty, ICOs have so far been



security-like, though with an additional dose of unconstrained hype. “There’s a great deal of fear of missing out on something valuable and interesting,” he says. “There’s inevitably also an amount of fraud that’s going on. Some people are making overoptimistic or fraudulent claims about what their company or their product might be able to do, to attract what is essentially unregulated investment.”

There’s clearly a role for advisory services here. “The safest but least useful advice is just to say, ‘don’t touch the stuff’,” says Lyford-Smith, who suggests accountants can be the “appropriately sceptical professional adviser” in any investment. But there’s also the question of how to treat the many authentic and successful ICOs on a balance sheet. “I think we go back to the classic advice: look past the legal forms and ask what the true financial nature of those things is. So if it lets you get some brand new product when it comes out, then you can treat it like any other kind of pre-order. If it’s going to give you a share of the company, then perhaps that’s an equity... and so on,” he says.

The Financial Conduct Authority warns that the “so on” can be complicated. As well as transferable securities, its guidance is that ICOs in the UK may fall under the regulation for crowdfunding or even collective investment schemes. And, another wrinkle: if their status can be resolved, fair value for ICO investments may also present the same hurdle as valuing cryptocurrencies on the balance sheet: a token is almost always exchanged for another cryptocurrency.

SETTING THE STANDARD

At some point, says Green, the International Accounting Standards Boards will need to issue clarifications. And he has already been in communication with the board about exactly this. “It would be unacceptable if there was such diversity in reporting in the long term. But my guess is that the guidance will say, ‘here’s how you apply the current standards’, rather than trying to create something new”, Green says. Meanwhile, to avoid the problem that two companies with similar holdings present them differently, even in good faith, Green advises making copious use of explanatory notes.

Markey has been one of the experts who has submitted evidence to a Treasury subcommittee investigation on how to treat cryptocurrencies. While he warns that HMRC’s guidance so far places the responsibility on accountants to decide how to treat crypto in all its forms, he also points out that hard-won expertise in this sector is good for business. He has gained clients who have been turned away from other practices which either cannot, or do not want to, solve these problems.

But Airey warns against expecting complete clarity any time soon. “Generally we learn how to interpret these via case law,” he says. “But there have been very few cryptocurrency cases to actually go through a courts and tribunals process yet.” ●

CRYPTOCURRENCIES EXPLAINED

The foundation to cryptocurrencies is distributed ledger technology or blockchain. This provides a shared, decentralised, secure place to record transactions.

Cryptocurrencies like bitcoin, ripple, or litecoin (and thousands of others) are digital currencies that use the blockchain to record trades. Cryptocurrencies are not backed by a government or a commodity.

Their worth is determined solely by the price that the people and organisations that trade in them wish to pay. Issuance involves

mining. Computers are used in what are known as “hash calculations” and the reward for this effort is the currency, which can then be moved into a wallet and traded. This controls the supply of a cryptocurrency, but also has incentivised millions of people around the world to become miners.

Cryptocurrencies can be stored in digital wallets, traded on exchanges, exchanged for fiat money, or used to purchase things from the merchants that accept them. Currently transactions are problematic, as rates are much slower than existing forms of digital currency,

such as credit cards.

Blockchain transactions have varying levels of anonymity: for example, your bitcoin transactions are pseudonymous because they are linked with an electronic address. This means transactions can be anonymous as long as your address cannot be linked to you.

Many central banks are looking at the potential of the technology to issue their own cryptocurrencies, which one day might largely replace cash. One of the advantages of this would be the ability to impose negative interest rates.

Initial coin offerings (ICOs) have been wildly successful as an alternative to venture capital financing. A blockchain-based venture sells cryptographically secured digital assets called tokens. At least 15 ICOs have raised more than \$100m by doing this, although there are many smaller examples of scams, frauds and failures.

Because of this wild west appearance, regulators are keen that ICOs that imply a financial return should be regulated as securities in the future. Even so, by their nature most ICOs will continue to be high-risk, high-return investments.

SECONDMENTS: WHAT CAN YOU DO?

The option to go on secondment during your career can provide a different perspective on work experience and workplaces. Jessica Fino discusses its advantages and challenges

Today's workplaces are increasingly flexible and demand a variety of skills. The option to go on secondment is therefore a great choice for someone to learn new skills, meet different people and go back to their original job with an improved CV. Secondments, or a temporary transfer to another position or employer, can be a great option at any stage of your career, even during your ACA training.

Such transfers are a good way to gain different and varied work experience from another team or organisation.

According to the Chartered Institute of Personnel and Development (CIPD), the secondees have the opportunity to gain a wider career and personal development than in their day-to-day work, while acquiring valuable experience in project management.

They can also test and apply specific skills in a different organisational environment, at the same time as developing relationships with colleagues in other functions, locations or organisations and gaining new skills and experiences.

However, secondment opportunities must be properly planned and supported throughout their duration in order to ensure success, the CIPD warns. An ACA student in an audit department of an

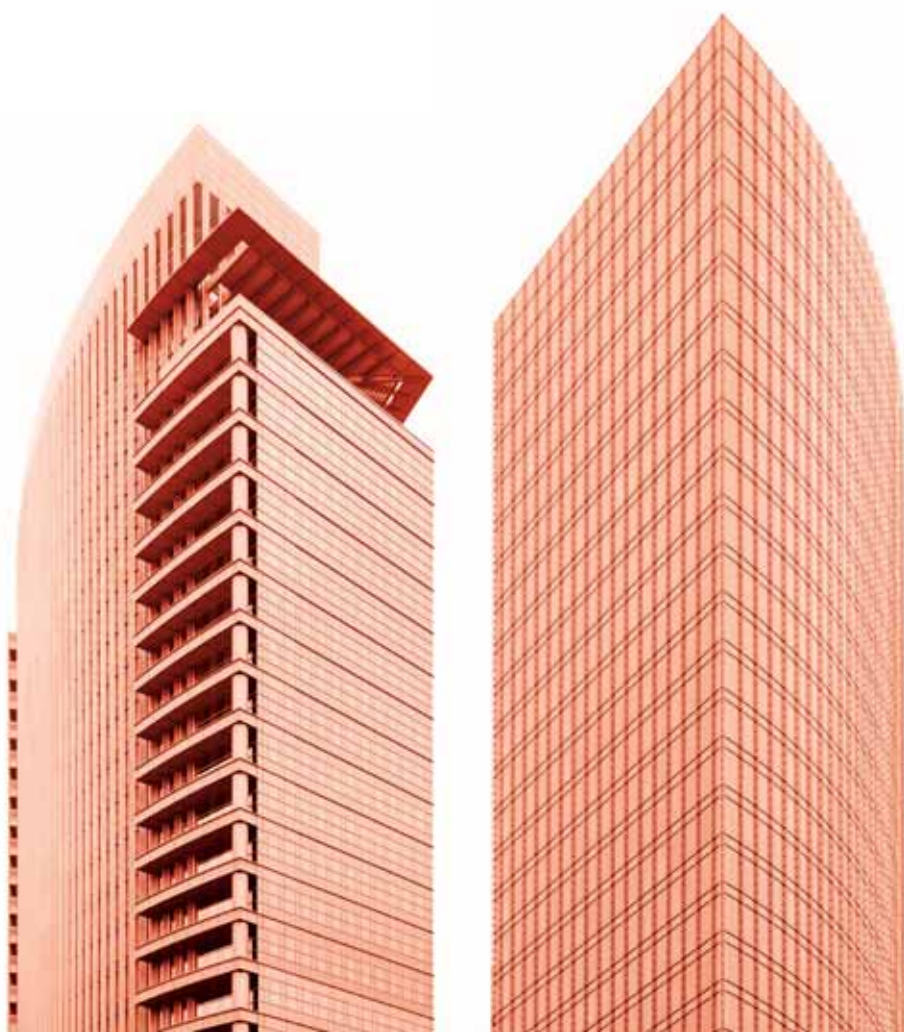
accountancy practice could be seconded to a client to gain experience in management accounting, or an ACA student training in a commercial organisation could be seconded to their organisation's external auditors to gain auditing experience.

But there is a limit on the amount of time ACA students can spend on secondment. Students can gain up to one third of their total practical work experience on secondment to an organisation that isn't authorised to train ACA students, or half of their total practical work experience on secondment to an organisation that is authorised.

Added together, these two periods above should not exceed half of the student's total work experience days.

Emma Gurney, who works at PwC, took a four-month secondment at its student recruitment team when she was in the assurance department.

"Since moving to My Financepartner, (another PwC department), I have been on a short secondment to a client, to support their credit control team in meeting their year-end cash collection target and to look at ways of improving their cash collection processes," she says. "I decided to go on secondment, as I am always keen to develop new skills and gain new experiences. I have always had a fear



of public speaking, which I knew I would need to conquer to get along in the student recruitment team, as they often have to stand up and speak to large groups of students, university lectures, careers advisers and parents.

“For both secondments, I was also interested in gaining exposure to different functions and departments within business and therefore increase my commercial and operations awareness and experience.”

Gurney says PwC is extremely supportive of employees who want to gain new experiences.

“My first secondment was arranged through our Senior Associate Transfer Window, which opens twice a year to all staff of a Senior Associate grade,” she explains.

“The transfer site lists all available opportunities across all our lines of services and all locations within the UK. “It makes the process of applying for opportunities both easier and more transparent,” she says.

Looking back, Gurney says the experience enabled her to gain new experiences and exposure to different departments and processes.

“Where my secondment to student recruitment meant I was able to conquer my fear of public speaking, on my client

“This ability to adapt is beneficial in any role. Secondments also give you great opportunity to broaden networks”

secondment I gained more project management experience than I expected and exposure to an industry that I hadn’t worked in before.”

Gurney adds that another key benefit of going on a secondment or placement is that it forces you to learn to adapt to different team cultures and to new ways of looking at and solving problems and new processes and procedures.

This ability to adapt, and the new perspectives you are exposed to, is beneficial in any role you go on to do.

And secondments also give relatively junior employees a great opportunity to broaden their professional network.

But there are also challenges, particularly around shorter secondments where you are expected to continue to pick up aspects of your normal day job.

“Juggling both commitments can be challenging, but it is manageable with planning and clear communication with both teams,” advises Gurney.

Isabel Healy, who works as a financial analyst in the Cabinet office, says ICAEW helped her find the right secondment.

“I decided to go on secondment as a way to learn new skills and to get exposure to a different area of accounting. As I’m nearing qualification this seemed like a good time to explore a new sector to round off my studies.

“I’m so early on in my career it’s easier for me to switch between roles,” she says.

Healy started a six-month placement at Grant Thornton in mid-September, after asking ICAEW about opportunities for short-term secondments between the public and private sector.

“They put me in touch with firms who were interested in the idea and organising it has been very smooth from there,” she added.

Not only employees benefit from these temporary transfers. According to the CIPD, providing development opportunities in the workplace is essential to ensure that organisations have the skills required to meet their long- and short-term goals.

“Organisations can benefit from both inward and outward secondment as these can be a very useful way of providing development to meet both individual and organisational needs and sharing knowledge across the business,” it says. ●

ADVICE ON SECONDMENT

Secondments provide a chance to gain experience and learn new skills from another employer as part of the ACA qualification, or as a new ICAEW member. They can also help to develop your technical knowledge, professional skills, practical experience and help you build a network. It’s important to speak to your employer and explore the best time for it to take place. This could be towards the end of your training or when you become an ICAEW member. It’s also vital that you agree on which elements of the ACA you will continue on secondment. Although the time could complement your practical work experience, it’s unlikely that this will count towards the Audit Qualification (AQ) and could affect your eligibility for the AQ. For more information go to bit.ly/2Mcu0oE

Taking to the sporting arena with work colleagues can be good for both your health and the business that employs you, discovers Gillian Harvey

Whether it's kicking a football, going for goal in a netball match or the perfect tee shot in golf, participating in inter-firm sport can be great fun.

Moreover, as well as being an enjoyable way to spend your free time, both inter-firm competitions and in-house sport can have a range of personal and professional benefits.

A SHARED GOAL

It's no surprise that positive staff relationships help to create a pleasant working environment. However, with colleagues often coming from disparate backgrounds or different generations such relationships may not always develop naturally. Participating in sport can give staff a mutual focus and enable colleagues to bond over a shared goal.

Hannah Blackmore, public relations executive at Grant Thornton, London, joined the firm's netball team when she started work there four years ago - and found it a great way to connect with other staff.

"It's a big organisation, so it can be difficult to meet people outside of your immediate team," she says. "Playing netball gave me the chance to meet people across the firm. And having the sport in common helped conversations to start."

"I used to think team building was just an excuse for a bit of a jolly, but we've actually seen a tangible benefit"

Emma Howells-Davies, behavioural change specialist at Performance Circle, explains: "The different generations coming together in a team sport, such as football or netball, means shared learning and experiences, which can help people feel connected to each other. We see peer mentoring taking place too with employees feeling valued when passing on their knowledge and expertise. This sense of purpose often positively impacts on motivation and commitment, too."

GOOD FOR COHESION

It was with these benefits in mind that Carl Reader, director at D&T Chartered Accountants, Swindon, recently restructured his staff into groups for both work and extra-curricular activities. "When the firm was smaller, everyone knew each other really well," he explains. "But now we have around 60 staff, we lost that personal connection and felt that both morale and performance were being affected."

As a result, Reader and his team devised a pod system where staff are divided into small teams. To strengthen the ethos of each team, the firm also introduced sporting activities. "These were designed to help the teams pull together and connect," explains Reader.

GET

THE

BALL

“The communication between staff is far better now, because of their shared bond. I used to think team building was just an excuse for a bit of a jolly, but we’ve actually seen a tangible benefit.”

WIDER CONNECTIONS

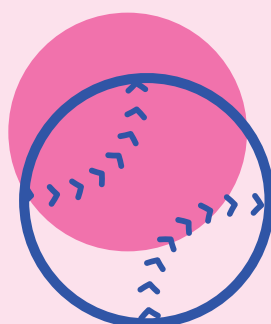
Getting a team together and playing with other professionals in inter-firm competitions also gives individuals the opportunity to make contacts they may otherwise have missed. Fiona Hotston Moore, forensic accountant and staff partner at Ensors Accountants, feels that the opportunities offered within her firm for team sports have both fostered and strengthened important professional connections. “We participate in a range of sports, including rounders, netball, football, tennis, running, triathlons and golf,” she says. “As a firm we have a strong profile and are known for our positive and engaged attitude. Many relationships are started and reinforced through sports.”

Gary Brockway, director at Baldwins Accountants, has also witnessed the benefits of networking through inter-firm sport. “The firm participates in an annual five-a-side event for charity,” he says. “As well as raising money for a good cause, it’s a great opportunity to mix and network with existing and potential clients, as well as making new contacts.”

RAISING THE PROFILE

Taking part in sport can also be an excellent public relations exercise for your firm. Faye Watts, partner at boutique firm Fuse Accountants, believes that the business’s engagement in cycling has led to positive networking through sponsorship. “We’re only a firm of 12 at present, so don’t run a sports team. However, three of us are keen cyclists and take part in sponsored cycle rides,” she says.

“As well as meeting new people, participating has helped us to raise our firm’s profile. We put sponsorship out to clients. As well as raising money for charity, it creates a more personal relationship with clients; a common ground in sport seems to help improve client loyalty as well.”



“Hormones released when we exercise promote feelings of happiness and wellbeing that positively affect energy levels”

ROLLING

PREMIER PERFORMERS

But does pulling together as a team in the sporting arena have a positive impact on performance in the workplace?

“Before we introduced the pod system and team activities, the business as a whole was underperforming compared with our projections,” says Reader.

“But now we’re smashing through our budgets. And that can only be put down to the improvement in communication and morale - people pulling in the right direction rather than pulling away.

“We’ve also found it’s unlocked people’s competitive side - not always easy to do when it comes to accountants,” he jokes.

The fitness gains that come from participating in sport can also lead to increased performance at work, explains Howells-Davies. “The benefits of exercise on health and wellbeing are well researched and the links between exercise and performance at work are well documented. The hormones released when we exercise promote feelings of happiness and wellbeing that positively impact on our energy levels, mood, mindset and sleep. All of these positive gains have been linked to optimised productivity and performance.

“Sport brings people together, we see it all the time. It’s one of the best ways to help businesses to improve staff relations, promoting a better connected and networked workforce.” ●



Connecting Communities is a key strategic theme for ICAEW. ICAEW Chartered Accountants advise over two million businesses in the UK. This unprecedented level of insight and expertise enables our communities of members to have meaningful input and influence in the environments in which they operate (be that an industry or a location). And that is at the heart of the ICAEW Community offering - bringing together members with others who operate in their industry or sector to discuss the key issues, either through events, webinars, online content or training courses.

ICAEW currently has 21 Communities, with a further four becoming available for 2019. In July 2018, membership across the Communities stood at over 42,000.

The aim of these Communities is to support members throughout their professional lives. Therefore, they provide members with the skills for a particular area, sector, or career stage. "Having so many Communities means members can receive information and guidance tailored for their needs," explains Marta Pacheco, head of communities. Here are just some examples of what communities offer.

Take, for example, the **Energy and Natural Resources Community**, which like many other communities offers webinars, free access to online resources by experts on sector trends, forecasts, standards, news, decommissioning liability, investment decision-making, valuing impact and sustainability measures.

According to community chair Bill Roberts, the hallmarks of this sector include "heavy engineering, big infrastructures, the long-term timelines needed to reach value, the need to navigate interactions with communities and governments".

Roberts explains that the consequences of decisions in this sector are big because of the size of investment needed and the potential for large environmental or economic impact on big communities. To help navigate these, the 4,500 strong community is brimming with expertise and experience.

However, the challenges are different in other sectors. The **Restructuring and Insolvency Community**, for example, provides practitioners with a voice on regulatory matters. It engages with other key stakeholders to raise awareness of the key policy issues facing the restructuring and insolvency profession.

The community provides a toolkit, training webinars, a newsletter, an annual conference, and insolvency roadshows, promoting the findings of ICAEW's regulatory reviews, providing insight from compliance providers and showcasing new products. It gives insight on opportunities open to its 1,450 members, who are well placed to offer consultancy to businesses going through challenges, having often seen what not to do in business. The committee engages in getting business to recognise this and offers leading thinking in this area of practice.

The **Healthcare Community** offers support whether you're based in a small practice with only a few of your clients in healthcare, or you work for a specialist practice. The community offers resources



Stronger together

No matter which sector you are hoping to work in, there is an ICAEW Community for you, discovers Beth Ashmead Latham



and conferences on topics such as NHS pensions, taxation issues and new models of care. The advisory group, which has sector experts both financial and legal, is directly involved with responding to members' queries.

Its conferences focus on the biggest client base, GPs, webinars and newsletters allow for coverage of niche areas such as care homes and dentists. As community chair Claire Hebdige explains, these can be of real help to ICAEW members seeking support to best advise their clients.

The **Entertainment, Sport and Media Community** started for small practitioners with clients in film, TV, video games and sport, who did not have access to the same technical information and support provided by the larger firms. It has since been broadened to cover both industry and practice.

Community chair David Stead says: "We've found that people in practice tend to want technical solutions, information on new legislation and how it affects the industry. People in industry want general updates on the business and commercial side." He added that it works to help people access information about some of the big changes in business, such as blockchain, cyber security, crypto currency, crowd funding, gig economy and the related tax risks.

Stead emphasises the importance of webinars and events for networking, saying there is real benefit from doing this early on in your career.

"Financial work, which will always involve technical tasks, becomes about relationships as people progress," he adds. "Joining communities like this gives those early in their career the chance to talk to people and see what opportunities are available to them."

And then there are new communities such as the **Personal Financial Planning Community** - which is one of the fastest growing with almost 4,500 members since its launch in December 2017. The basis for it is that accountants can support some personal finance needs, particularly for small and medium-sized clients, who may start asking personal finance questions as they near pensionable age.

"It's important to think about clients' human needs, which will include plans for retirement, and other life goals," community chair Richard Bertin says.

The community has produced traffic light guidance, which helps accountants navigate the regulation on what they can and cannot do while giving financial advice. It offers a conference and webinars on subjects such as inheritance tax, retirement planning and work, to demonstrate why it's important for accountants to be aware of this demand.

All the communities are supported by a central team at ICAEW. As well as curating content from top specialists in each field, the communities connect people with similar challenges provide career inspiration and, as Roberts suggests of his community, they enable members to increase their influence, improve their value and expand their horizons. ●



"We've found that people in practice tend to want technical solutions, information on new legislation and how it affects the industry"

FREE COMMUNITIES

- Academia & Education
- Career Breakers (free to ICAEW members)
- Construction and Real Estate
- Diversity
- Energy and Natural Resources
- Exporting
- Independent Advisors and Consultants
- Manufacturing
- Personal Financial Planning
- Practitioner Business Advisers
- Public Sector
- Retail
- Retirement
- Travel, Tourism and Hospitality
- Young Members

FEE-PAYING COMMUNITIES

The fees can range from £30 to £235 per year, depending on the community and ICAEW and Global Accounting Alliance membership. These include:

- Charity Finance Professionals
- Corporate Governance
- Entertainment, Sport and Media
- Farming and Rural Business
- Forensic and Expert Witness
- Healthcare
- Restructuring and Insolvency
- Solicitors
- Valuation
- Volunteering

You can register free of charge for provisional membership of one fee-paying community of your choice, per year of your training. You can also sign up to one or more of the free communities. Find out more at [icaew.com/facultiesandcommunities](https://www.icaew.com/facultiesandcommunities)

FIT FOR PURPOSE

Danny McCance checks out some of the organisations that are combining exercise with an interest in social responsibility

THE GOOD SAMARITANS

Green Gyms' conservation projects emphasise volunteer health and fitness



The UK fitness market generated more than £4.5bn last year, 19% of the €26.6bn total revenue generated in Europe in 2017, according to Deloitte and EuropeActive. However, last year people in the UK spent on average just 90 minutes a week being physically active. This activity crisis, according to not-for-profit membership organisation UK Active, is leading to some 37,000 deaths a year at a cost of £20bn.

Meanwhile, as of March this year 167,972 charities were registered with the Charity Commission in the UK, generating a combined annual income of more than £76bn. Some are addressing both the desire to enact social change while also encouraging people to keep active. Welcome to the world of the active activist, or more appropriately, those who combine their love of exercise with their drive to make a difference.

BUILDING A COMMUNITY

“Why would you go and pay to lift something that doesn’t need lifting,” says Rachel Hoyes, health development manager for The Conservation Volunteers (TCV), borrowing a phrase often used by Green Gym managing director Craig Lister. Instead, why not go outside and move something that needs moving. To this end, TCV runs a number of Green Gyms across London and the UK geared towards conservation, but unlike other conservation projects, they also put emphasis on volunteers’ health and fitness.

“Lots of studies have shown that things like digging and chopping are more productive in the long run and can actually burn more calories,” Hoyes explains also pointing out the health-related benefits of



physical activity outside in the fresh air. "The fact you're making a difference also leaves you coming away feeling more empowered as you can see the difference you're making."

The idea has come a long way since the first Green Gym - Sonning Common celebrated its 20th anniversary earlier this year - as the gyms now operate in 100 locations across the UK, having grown by 500% since 2011. The original plan, says Hoyes was for shorter, more accessible conservation projects focused on health, fitness and wellbeing.

TCV's strategy is to decentralise the running of the projects. "We work a lot with community groups. Ideally over two-year periods, we empower them to take on leadership roles and then run as a community group, so we can start another one in another area with the same aim," Hoyes explains.

GOING THE EXTRA MILE

Wellbeing is also a key principle of the

Running Charity, an organisation focused on reducing homelessness by providing a community and encouraging people to build a goal-setting mentality. "The biggest cause of homelessness is family breakdown. We try to create that new environment to give someone that space where they can communicate," co-founder Alex Eagle explains.

It is a change in mindset that Eagle is looking for in the individuals he's trying to help. Running he admits, is a difficult process to learn to control, but when you do, it teaches you the resilience and determination that can hopefully be applied in other areas. "When you're faced with so many complex issues that are out of your control, for instance with housing, you can put in lots of work and try to address the situation, but it might not lead to anything," says Eagle. "With running, or exercise in general, if you put something into it, you get something out."

Eagle started the charity after becoming frustrated while working in a homeless



THE HOMELESS HELPER

Alex Eagle founded the Running Charity to help combat homelessness

"With running, or exercise in general, if you put something into it, you get something out"



centre during the financial crisis. “We were working each day but seeing problems getting worse,” he recalls. “It’s very disheartening to put your soul into something and see what you’re trying to achieve being swamped with the need.” With a background in sport, Eagle felt what he’d previously done was too reactive and wanted to better harness the potential of sport and movement. Along with co-founder James Gilley he came up with a programme for 12 rough sleepers. Within six months, all had either found housing or sustainable employment, but the real change came with one particular individual.

“We had a huge turnaround in one young man who was a seven or eight stone heroin user living in a tent at the time. We worked with him over 15 months, and he left us weighing 13 stone, a personal trainer, not using drugs and he ran the London marathon and was going to go on to run an ultra marathon,” says Eagle.

Much like running, the challenge for the charity now is in progressing the organisation to take more on. While it previously had the support of a treasurer regarding the finances, Eagle and his team are seeking someone who can take these responsibilities further while the charity is reshaping its board to bring in more support for the finance function.

“We want to get everyone to become proud litter pickers”

THE BEACH CLEANERS

Picking up litter while you run burns more calories, that’s how they plug Plogga

THE STREET LITTER WORKOUT

Running is also at the heart of a new fitness trend sweeping the globe, focused on one of modern life’s biggest banes – litter. The idea to use your time pounding the streets to also pick up rubbish originated in Sweden – as did its name which combines the Swedish for pick up (plocka upp) and to jog (jogga).

“Plogga is the basis of a collective name where we want to change the setting and get everyone to become proud litter pickers”, says Erik Ahlström, originator of the Plogga movement.

In a Q&A about Plogga, Ahlström said the idea came after he became shocked by the amount of litter he saw on his commute. This, he thought, was indicative of “a dysfunctional society without respect for each other and the earth”.

The movement is not only beneficial in terms of reducing litter, it has real health benefits too. “Plogging is proven to burn more calories than a normal run since ploggers often incorporate more movements than normal running, such as squats when you bend down to pick up litter,” says Ahlström. “Half an hour of plogging will burn 288 calories on average – compared to just 235 calories from regular jogging.” ●

CABA

GETTING ACTIVE FOR MENTAL WELLBEING

Laura Little, learning and development manager at CABA, offers wellbeing tips

After the fantastic summer of sport, coupled with stunning weather, many of us will have felt inspired to get outside and active. But now as winter approaches, the desire to exercise will fade for many.

We know that exercise is a medicine we should all be taking. In fact, not only does regular exercise have physical health benefits, such as reducing the risk of developing major illnesses, it also keeps our mental wellbeing in tip-top shape.

The key is finding something you enjoy so that you view it as fun rather than a chore, meaning you’re more likely to keep it up, no matter what time of year it is. Here are some of the top motivations for fitting in regular exercise to benefit your mental wellbeing.

Reduce stress

Tough day? Take a walk or head to the gym for a quick workout. Exercise increases concentrations of norepinephrine, a chemical that can moderate the brain’s response to stress, helping you to be more resilient in testing situations.

Get happy

Slogging through a few miles on the treadmill can be tough, but it’s worth it. Exercise releases endorphins, which create feelings of happiness and euphoria. This will help to lift your mood and enable you to see the positives, even in the most trying circumstances.

Help your creative juices flow

A heart-pumping gym session can boost creativity for up to two hours afterwards. Overcome your work conundrums by exercising and letting your mind wander. You might be able to problem solve and get fit simultaneously!

For more information and tips on wellbeing, visit caba.org.uk
CABA provides free independent support for ACA students and past and present ICAEW members and their families.



Tracksmith Reggie half tights

Lightweight and stylish training tights for the runner with a passion for fast and hard workouts. **\$68**



Mobot foam roller bottles

These stainless steel water bottles come in three sizes and double as foam rollers to soothe your limbs. **From \$39**



Moulton SST Alfine

The small-wheeled bicycle with a distinctive design offers a stylish option for an active commute. **Around £2,500**

On your marks

From wearable tech to the latest fitness kit, here's what you need to power your exercise routine this autumn



inov-8 Parkclaw 275

The ideal trainer for those looking to switch between road and off-road trails during their running regime. **From £125**



FitDeck exercise playing cards

These cards provide various bodyweight exercises and when chosen at random can mix up your training routine. **\$14.99**



Jabra Elite Sport earbuds

Hear the beats while running with these wireless in-ear headphones that double as a heart rate monitor. **£199.99**



Injinji Women's Ultra Run socks

With a narrow profile to suit the contours of the female foot, these socks reduce the friction that causes blisters. **£17.95**



Garmin vivosmart 3

This fitness tracker wristband offers an overwhelming number of functions and promises five days of battery life. **£99.99**



In charity fundraising, we're making sure we're looking after restricted funds properly and thinking through the implications of fundraising events. There are things that you know you should be aware of, but you don't actually know the language or the context behind it. That's quite dangerous when you're talking about law and regulations. I wanted to manage bigger teams in different organisations and one of the things people were looking for was how I'd approach finance and work with finance colleagues. So, I did a masters in Charity Accounting and Financial Management. In DofE terms, I was really out of my comfort zone. I had to do an extra exam to get the ICAEW diploma, and so I did that as well.

How was the studying?

It was completely new, but great. There were a few of us with very little in terms of a finance background, but also a number of accountants moving into the charity sector. For them, they knew a lot of the rules in regards to finance but didn't know how to apply it in a charity context. It was a nice cohort as we were able to share experiences. From a fundraising perspective, we always want to make sure we're telling the best story. But unfortunately when you're working with numbers predominantly, you don't always have the best stories. The beauty of working in fundraising and finance together is that you can produce some really amazing examples showing why the numbers are important - and what those numbers make a difference to.

What else are you up to?

I'm a trustee at the Active Essex Foundation charity. It was set up two years ago to look at getting Essex residents more active, not necessarily through sport but lifestyle choices. We're concentrating on under-represented groups in sports; young mums, for example. We support projects where levels of participation are lower than the national average and try to find ways to connect people to sport that isn't just about joining a gym - by bringing sport to them. We work with a lot of partners as a conduit; for example, the police and a football organisation. Together they will come up with a project to help reduce antisocial behaviour by giving young adults alternative opportunities. ●

The road to success

Jenni Anderson, fundraising director for The Duke of Edinburgh's Award, on obtaining ICAEW's Diploma in Charity Accounting

What is life like at the DofE?

I've been in the role 16 months and it's been brilliant. There have been a lot of opportunities and a lot to learn. DofE has 62 years of history in the UK, so trying to learn all of that in a year is quite tough. I'm an Award holder, so have experience of doing it as a young person, which helps.

What's a normal day like?

Raising funds from individuals or businesses that want to invest in young people and their development, and working with individuals to help young people develop confidence and skills. We help businesses run the Gold Award for their young talent.

The organisation has a lot of supporters in the UK who believe in young people and their future. And it's about making sure the DofE is accessible to them.

Why did you study a Diploma in Charity Accounting with ICAEW?

I've been in the charity sector my whole career. While working at the Scout Association I wanted to widen my experience outside of fundraising. A few people I knew had completed a masters at Cass Business School. One module was charity accounting. As a fundraiser I know that we work closely with our finance colleagues because it involves money in and out.



ACA exams are changing

GUIDANCE AND SUPPORT FOR ACA STUDENTS

All ACA exams will eventually move from paper to computer-based, so getting to know the new format in advance of your exam is crucial to success.

Complete the five steps below to ensure you are fully prepared and have everything you need for the day of your exam.

- 1 Read the exam guidance
- 2 Watch the exam webinars
- 3 Use the practice exam software
- 4 Review the sample exams
- 5 Read the Instructions to Candidates

Here is a summary of exams that have moved to computer in 2018, and the final Advanced Level exam moving to computer in 2019.

PROFESSIONAL LEVEL

March 2018 Business Planning: Taxation
Business Strategy and Technology

June 2018 Business Planning: Banking
Business Planning: Insurance

ADVANCED LEVEL

July 2018 Corporate Reporting
Strategic Business Management

July 2019 Case Study

Guidance, support and resources are available to you at [icaew.com/cbe](https://www.icaew.com/cbe)

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