

ACCA FOR THE CORPORATE SECTOR

The corporate finance professional – a proposition for partnership aligned to the needs of the corporate sector

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ACCA understands the needs of the corporate sector and is committed to supporting your organisation's goals and the aspirations of your employees.

ACCA for the corporate sector is a guide for human resource, training and finance managers. It explains how the ACCA Qualification delivers the knowledge, skills and attributes companies need from their finance professionals. It also illustrates how the ACCA Qualification can be shaped to meet the many roles of finance professionals working in the corporate sector, and how trainees can specialise – through exam and experience options – in professional accounting for roles within the corporate sector.

ACCA works with 2,634 companies across a wide range of industries – including manufacturing, retail and financial services – through our Approved Employer programme. Over 130,000 ACCA trainees and over 66,000 ACCA members are employed in the corporate sector.

THE ACCA QUALIFICATION

The ACCA Qualification is a business-relevant, first-choice qualification for those seeking a rewarding career in accountancy, finance and management. ACCA is the leading international accountancy professional body by size in 47 markets, so it is uniquely placed to provide your company with a globally recognised and portable qualification for your employees. This is especially helpful if your employees work internationally and you need to ensure consistent competence and standards across your operations.

WHAT CORPORATE SECTOR EMPLOYERS LOOK FOR

Strategic awareness and specialist knowledge

It is increasingly recognised that many of the most senior managers in the corporate sector are qualified finance professionals by background. This is because they not only possess specialist knowledge in the relevant areas of accounting and finance, but also have a wider understanding of business organisation and management, including corporate strategy and business analysis.

ACCA's research report – *A changing profession* – surveying ACCA members and employers, found that employees qualified and experienced in these areas, will provide the greatest value for business in the future.

Consistency of financial reporting

Having employees with comprehensive knowledge of both financial and management accounting means that the same financial disciplines can be applied across all areas of the business, ensuring consistency for all reported financial information.

Flexible workforce

The ACCA Qualification provides a core of flexible, multi-skilled finance professionals who can be deployed in a range of roles, or pursue specialist areas after qualification to suit employer needs.

Members of finance teams are required to be outward facing and engage across the business to achieve effective performance and contribute to organisational change. People with broad financial experience across disciplines can bridge specialist areas of finance and ensure that the function as a whole delivers to business requirements.

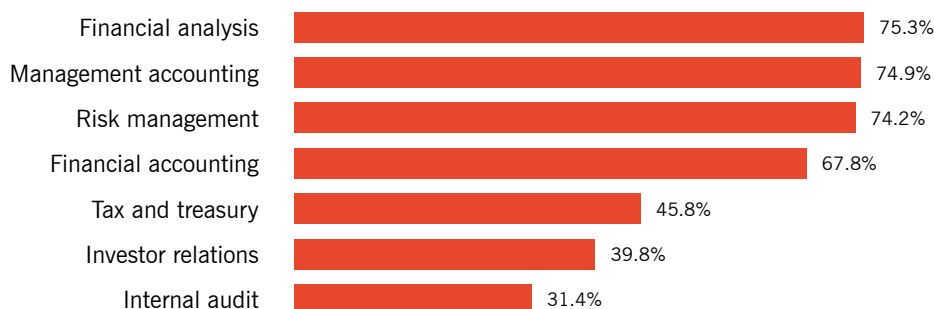
Professional and ethical

Employers also want assurance that their finance professionals work to the highest standards of professionalism and ethics. They are guardians of the company's reputation with all stakeholders and provide assurance of the organisation as a going concern, delivering on targets for sustained business performance.

Accountability

In the current climate, investors and the general public have an expectation that corporate finance professionals behave responsibly in regard to all assets and investments under the stewardship of the companies in which they are employed. There is an expectation that business decisions are taken to both promote and protect the value of these assets with a proper consideration of potential exposure to and a mitigation of business and financial risk.

FUNCTIONAL AREAS AND % RESPONSES



Data obtained from an ACCA research report *A changing profession?*
The evolution of accounting roles, skills and career aspirations, January 2008

Background: a flexible approach

The ACCA Qualification equips finance professionals in the corporate sector with the relevant capabilities and competences they need. It is designed not only to ensure that ACCA members are immediately ‘fit for business’ as fully contributing employees, but that they are ‘fit for the future’ and possess the capabilities to add real value to their organisations and have the aspirations and potential to accept high levels of responsibility and to carry out the most senior roles in the corporate sector.

The ACCA Qualification is flexibly designed to allow students, including those within the corporate sector, to select particular combinations of exam and work-based practical experience that are specifically tailored for their work roles. In this sector, examples of these roles would include:

- financial accountant
- financial analyst
- internal auditor
- finance manager.

A complete finance qualification for the corporate sector

The ultimate aim for anyone pursuing the ACCA Qualification is to become an ACCA member – demonstrating that he or she is a qualified finance professional – and to enjoy the career opportunities associated with that status.

To qualify, each member must complete all three aspects of the ACCA Qualification:

- exams
- ethics
- experience.

Examinations

THE DOMAINS OF COMPETENCE OF THE ACCA QUALIFICATION

When developing the ACCA Qualification, 30,000 ACCA students, members and employers in the corporate sector were consulted to ensure that its proposals met their needs and best practice in professional education and training.

The design of the qualification was mainly determined by findings obtained from stakeholder competency surveys and with close reference to the latest developments in education, training and in meeting the professional needs of modern finance professionals. The qualification was also designed to meet the requirements of the International Federation of Accountants (IFAC), specifically its international education standards (IES).

From the IFAC education standards and extensive consultation, ACCA identified the following nine domains of competence relevant to finance professionals:

Professional ethics and governance	Business management	Personal effectiveness
Performance management and management accounting	Finance and financial management	Financial accounting and reporting
Taxation	Audit and assurance	Business and commercial law

Finance professionals, in whichever sector they operate, must have some level of competence in each of these nine domains. The core elements of the ACCA Qualification ensure that every student has exposure to all of these areas.

The ACCA examination syllabus requires the completion of 14 examinations, which include the examination of fundamental underpinning knowledge and understanding from the following areas:

Domains of competence	Assessment time (min-max)
Financial accounting and reporting	8 hours
Performance management and management accounting	5-8 hours
Finance and financial management	3-6 hours
Business management	4 hours
Professional ethics and governance (including risk management)	4 hours
Taxation	3-6 hours
Audit and assurance	3-6 hours
Business and commercial law	3 hours

What makes the ACCA Qualification most flexible is that specific domains of competence can be developed to a greater depth depending upon which routes through the qualification a student wishes to follow and upon the sector a student is aiming to work in.

Examination options

ACCA exams are divided into two levels – Fundamentals and Professional. The Fundamentals level is divided into two modules, Knowledge and Skills.

ACCA has built considerable flexibility into the qualification with regard to progression. Students can sit exams in higher level modules at the same time as completing exams in the lower module, subject to taking a maximum of four exams per session. This ensures that students are not unnecessarily held up in their studies, and can potentially progress to full ACCA membership sooner.

The Knowledge module familiarises students with accounting in the corporate sector through the F1, *Accountant in Business* examination which introduces the student to business and how it is governed structured and managed, including the role of accounting and finance within the business and how it relates with other functional areas. The Knowledge module also introduces the core areas of financial and management accounting. The Skills module contains six subjects which cover the main technical areas that any accountant, regardless of their future career aspirations, should be technically proficient in.

The Professional level is divided into two modules – Essentials and Options. Both of these modules have been set at an intellectual level equivalent to that expected of a student taking a Masters degree. The focus of the syllabus at this level is to build upon the technical skills already acquired and explore more advanced professional skills, techniques and values that are required and used by the expert accountant acting in an advisory or consultancy role, at a senior level.

All students must complete the three papers in the Essentials module, the first of which is paper P1, *Professional Accountant* which covers corporate governance, internal control and compliance, with a significant emphasis on risk management and ethics. The Options module contains four papers. These are directly underpinned and supported by their equivalents within the Skills module in the Fundamentals level. Students are able to select two out of four Professional Options papers that relate to their field of work.

COMPETENCE REQUIRED OF ANY PROFESSIONAL ACCOUNTANT	FUNDAMENTALS (nine papers in total)
	Knowledge
	F1 Accountant in Business
	F2 Management Accounting
	F3 Financial Accounting
	Skills
	F4 Corporate and Business Law
	F5 Performance Management
	F6 Taxation
	F7 Financial Reporting
	F8 Audit and Assurance
	F9 Financial Management
	PROFESSIONAL (five papers in total)
Essentials	
P1 Professional Accountant	
P2 Corporate Reporting	
P3 Business Analysis	
FLEXIBILITY	Options – two to be completed
	P4 Advanced Financial Management
	P5 Advanced Performance Management
	P6 Advanced Taxation
	P7 Advanced Audit and Assurance

Ethics is not optional!

Professional ethics is central both to the ACCA Qualification and to the role of the finance professional in the corporate sector. Ethical perspectives are incorporated throughout the syllabus as well as being introduced as concepts in F1, *Accountant in Business* and given particular focus in paper P1, *Professional Accountant* and within the online Professional Ethics Module (PEM).

As part of their ethical development, students are required to complete the PEM, developed by ACCA. The module gives students exposure to a range of ethical perspectives. They are able to apply what they have learned in a case study where they can experience an audit situation from two points of view, that of the auditor and of the corporate financial accountant.

Students are given access to the PEM as soon as they become eligible to take paper P1, *Professional Accountant*. It is

recommended that students take the Professional Ethics module at the same time as, or before, the Professional Accountant paper is taken. Although students have the flexibility to complete the PEM at their own convenience, it must be completed before applying for ACCA membership.

Employers can also access the PEM for reference by visiting www.accaglobal.com/employers

Experience

Performance objectives are ACCA's indicators of effective performance in the workplace. As part of the ACCA Qualification, students must achieve 13 performance objectives in total, including four options.

ESSENTIALS – cover the general business, management and personal effectiveness skills that all professionals must be able to demonstrate, eg good communication skills, ability to manage themselves and their workload, contribution to good governance and an effective organisation.

Professionalism, ethics and governance

- 1 Demonstrate the application of professional ethics, values and judgement
- 2 Contribute to the effective governance of an organisation
- 3 Raise awareness of non-financial risk

Personal effectiveness

- 4 Manage self
- 5 Communicate effectively
- 6 Use information and communications technology

Business management

- 7 Manage on-going activities in your area of responsibility
- 8 Improve departmental performance
- 9 Manage an assignment.

OPTIONS – cover the other technical accounting and finance domains of competence within the ACCA Qualification

Financial accounting and reporting

- 10 Prepare financial statements for external purposes
- 11 Interpret financial transactions and financial statements

Performance measurement and management accounting

- 12 Prepare financial information for management

- 13 Contribute to budget planning and production

- 14 Monitor and control budgets

Finance and financial management

- 15 Evaluate potential business/investment opportunities and the required finance options

- 16 Manage cash using active cash management and treasury systems

Audit and assurance

- 17 Prepare for and collect evidence for audit

- 18 Evaluate and report on audit

Taxation

- 19 Evaluate and compute taxes payable

- 20 Assist with tax planning.

Throughout, attitudes and behaviours demonstrated are important too, because as with the other areas of the qualification – the exams and ethics module – importance is placed on ethics, values, and standards that apply to the finance professional in the corporate sector.

The achievement of the performance objectives must be under the guidance and direction of a workplace mentor.

Students can maximise the effectiveness of their training by taking advantage of the links between exams and performance objectives and complete them at the same time. See appendix for more information.

Blending the three Es

Depending on the role of the finance professional in the corporate sector, the student taking the ACCA Qualification will choose a specific pathway through the qualification tailored to their specific needs and aspirations.

Each pathway can be differentiated from another through the selection of various combinations of the optional exams and performance objectives.

Below are suggested pathways for the following four roles commonly undertaken by an accountant working within the corporate sector:

- financial accountant
- financial analyst
- internal auditor
- finance manager (including financial services sector).

The precise pathway selected will of course depend on the specifics of the role. With almost 2,000 possible combinations within the ACCA Qualification, there will be a pathway to fit almost every role. What we describe here are a range of specific examples of relevant pathways designed to make the ACCA Qualification work best for you and your business within the corporate sector.

THE FINANCIAL ACCOUNTANT

Key domains for the financial accountant

Professional ethics and governance F1, P1, PEM PO: 1, 2, 3	Business management F1, P3 PO: 7, 8, 9	Personal effectiveness F1, PEM PO: 4, 5, 6
Financial accounting and reporting F3, F7, P2 PO: 10, 11	Taxation F6, P6 PO: 19	Audit and assurance F8, P7 PO: 17

The financial accountant will be responsible for processing economic transactions and for recording and reporting financial information in a form suitable for external users. A financial accountant will need to be familiar with relevant IT software but does not normally need to be an expert in the design, management or implementation of IT in the work place.

At the senior level, the financial controller or CFO as part of their function in shareholder communications may be involved in enterprise governance through preparing papers for various committees such as the risk management, audit and remunerations committee.

The corporate financial accountant will take the professional paper in *Corporate Reporting* (P2) but to discharge their roles effectively they may also consider further developing their expertise in tax and audit through P6, *Advanced Taxation* and P7, *Advanced Audit and Assurance*.

The relevant performance objectives would include preparing financial statements for external purposes and interpreting financial transactions and statements. The corporate financial accountant may also need to demonstrate capabilities in preparing financial information for management, including information for relevant committees and in computing corporate taxes. In addition a corporate accountant should be familiar with the audit role as they will need to satisfy the external auditors in respect of all aspects of financial reporting and be able to justify the recognition, measurement and treatment of various items within the financial statements to ensure an unqualified report. Understanding of and being knowledgeable in the role and process of external audit is therefore one of the major responsibilities of corporate financial accountants.

Recommended ACCA pathway for the corporate financial accountant

Professional exam options	Performance objectives options
P6, Advanced Taxation	10 Prepare financial statements for external purposes
P7, Advanced Audit and Assurance	11 Interpret financial transactions and financial statements 17 Prepare for and collect evidence for audit 19 Evaluate and compute taxes payable

THE FINANCIAL ANALYST

Key domains for the corporate financial analyst

Professional ethics and governance F1, P1, PEM PO: 1, 2, 3	Business management F1, P3 PO: 7, 8, 9	Personal effectiveness F1, PEM PO: 4, 5, 6
Performance management and management accounting F2, F5, P5 PO: 12, 13, 14	Finance and financial management F9, P4 PO: 15	Financial accounting and reporting F3, F7, P2 PO: 11

The financial analyst will mainly be involved in the financial analysis of management information for decision-making to support strategic and operational decisions. The corporate financial analyst will need to use IT systems for budget planning and control and be capable and competent in the management of projects and in communicating to the relevant internal stakeholders. The financial analyst will also need to be able to interpret financial transactions and internal financial statements such as budgetary and variance reports, so some interpretation aspects of financial reporting are relevant.

At the senior level, the financial analyst will support financial strategy and may be involved in strategic information management.

The financial analyst may take P5, *Advanced Performance Management* and P4, *Advanced Financial Management* as these are the papers most relevant to their roles.

The performance objectives most relevant for the corporate financial analyst may be interpreting financial transactions and statements from an internal perspective, preparing financial information for management and both performance objectives relating to budgeting. Performance objective 15 on evaluating potential/business investment opportunities and the required finance options could also be considered relevant in certain roles with capital budgeting responsibilities.

Recommended ACCA pathway for the financial analyst

Professional exam options	Performance objectives options
P4, Advanced Financial Management	11 Interpret financial transactions and financial statements
P5, Advanced Performance Management	12 Prepare financial information for management 13 Contribute to budget planning and production 14 Monitor and control budgets

THE INTERNAL AUDITOR

Key domains for the internal auditor

Professional ethics and governance F1, P1, PEM PO: 1, 2, 3	Business management F1, P3 PO: 7, 8, 9	Personal effectiveness F1, PEM PO: 4, 5, 6
Financial accounting and reporting F3, F7, P2 PO: 11	Audit and assurance F8, P8 PO: 17, 18	Performance management and management accounting F2, F5, P5 PO: 12

The internal auditor will be involved mainly in business assurance and risk management from an internal and possibly departmental perspective, assuring managers that systems and internal controls are robust and effective. They will also be involved in collecting and analysing management and financial information, interpretation of financial transactions, business assurance, risk management and communications to internal stakeholders such as the risk and audit committee.

The internal auditor may wish to take P5, *Advanced Performance Management* paper as many of these syllabus areas are relevant to the internal auditor in evaluating corporate and departmental efficiency and effectiveness, using relevant performance indicators etc. Many of the techniques and principles of P7, *Advanced Audit and Assurance* will also be relevant and useful in their role.

The relevant performance objectives will include those relating to preparing management information and interpreting financial information for management and other internal stakeholders. The other relevant performance objectives will be those relating to internal audit.

Recommended ACCA pathway for the corporate internal auditor

Professional exam options	Performance objectives options
P5, Advanced Performance Management	11 Interpret financial transactions and financial statements
P7, Advanced Audit and Assurance	12 Prepare financial information for management 17 Prepare for and collect evidence for audit 18 Evaluate and report on audit

THE FINANCE MANAGER

Key domains for the finance manager

Professional ethics and governance F1, P1, PEM PO: 1, 2, 3	Business management F1, P3 PO: 7, 8, 9	Personal effectiveness F1, PEM PO: 4, 5, 6
Finance and financial management F9, P4 PO: 15	Financial accounting and reporting F3, F7, P2 PO: 11	Taxation F6, P6 PO: 19

The finance manager will be involved in most aspects of corporate finance, from sourcing funds, to managing working capital and making the best use of surplus funds. This role will involve an understanding of finance, financial risk management and treasury functions and will be useful in supporting the business and financial strategy of the company. This role will require an appreciation of the tax implications arising from an organisation's funding arrangements.

The finance manager, or anyone planning to work in the financial services industry may be best advised to select P4, *Advanced Financial Management* and P6, *Advanced Taxation* Options papers, as these most closely match the capabilities required in this role.

The relevant performance objectives would be preparing financial information for management in common with the other corporate finance professional roles, evaluating potential business opportunities and the required finance options. In the treasurer role, managing cash and using cash management and treasury systems will be relevant. The finance manager will need a sound knowledge of financial accounting and financial reporting to underpin their specialist expertise in finance. Finally, a finance manager needs to have an appreciation of, and be able to evaluate and compute relevant taxes payable and assess their impact on financial flows within the business.

Recommended ACCA pathway for the corporate finance manager

Professional exam options	Performance objectives options
P4, <i>Advanced Financial Management</i>	12 Prepare financial information for management
P6, <i>Advanced Taxation</i>	15 Evaluate potential business/ investment opportunities and the required finance options 16 Manage cash using active cash management and treasury systems 19 Evaluate and compute taxes payable

Conclusions

The ACCA Qualification is uniquely and flexibly designed to develop the relevant capabilities and competences for finance professionals in the corporate sector and those working in the corporate sector, including financial services. Through a tailored combination of exams and related experience, underpinned with professional ethics, the ACCA Qualification is the best means to achieving career aspirations and delivering high quality, valued professionals for the corporate sector.

For more information on the ACCA Qualification or other services please contact your local ACCA office or visit www.accaglobal.com

Appendix

The table below illustrates where exams and performance objectives are linked. Students may select optional exams and performance objectives most relevant to their role.

Exam paper	Area of knowledge	Performance objectives
P1, Professional Accountant	Professionalism, ethics and governance	1* Demonstrate the application of professional ethics, values and judgement 2* Contribute to the effective governance of an organisation 3* Raise awareness of non-financial risk
All exam syllabuses test a range of personal effectiveness skills, including time management and communications skills	Personal effectiveness	4* Manage self 5* Communicate effectively 6* Use information and communications technology
P3*, Business Analysis F1*, Accountant in Business	Business management	7* Manage ongoing activities in your area of responsibility 8* Improve departmental performance 9* Manage and assignment
P2*, Corporate Reporting F7*, Financial Reporting F3*, Financial Accounting	Business management	10 Prepare financial statements to external purposes 11 Interpret financial transactions and financial statements
P5, Advanced Performance Management F5*, Performance Management F2*, Management Accounting	Performance measurement and management accounting	12 Prepare financial information for management 13 Contribute to budget planning and production 14 Monitor and control budgets
P4, Advanced Financial Management F9*, Financial Management	Finance and financial management	15 Evaluate potential business/investment opportunities and the required finance options 16 Manage cash using active cash management and treasury systems
P7, Advanced Audit and Assurance F8*, Audit and Assurance	Audit and assurance	17 Prepare for and collect evidence for audit 18 Evaluate and report on audit
P6, Advanced Taxation F6*, Taxation	Taxation	19 Evaluate and compute taxes payable 20 Assist with tax planning
F4*, Corporate and Business Law	Business and commercial law	Law, regulation and compliance are integrated through appropriate performance objectives
* Performance objectives and examinations marked '*' are Essentials and MUST be completed by all trainees		

