

ACCOUNTING TECHNICIANS

EXPLORING OPPORTUNITIES FOR THE PROFESSION

CONTENTS

| | |
|--|----|
| PREFACE | 5 |
| WHY – THE CASE FOR CONSIDERING THE TOPIC OF ATs | |
| Benefiting the Economy | 7 |
| Benefiting Government and Business | 9 |
| Benefiting Individuals | 11 |
| Benefiting the Public Interest | 12 |
| Strengthening the Accountancy Profession | 14 |
| WHAT – THE DESIGN AND IMPLEMENTATION CONSIDERATIONS | |
| The Role of the AT | 15 |
| The Key Components | 15 |
| HOW – THE CASE STUDIES | |
| Next Steps | 24 |
| Cambodia | 25 |
| Canada | 27 |
| Hong Kong | 29 |
| New Zealand | 31 |
| Pakistan | 33 |
| Philippines | 35 |
| Singapore | 37 |
| South Africa | 39 |
| Sri Lanka | 41 |
| United Kingdom | 43 |
| Fiji | 46 |
| APPENDICES | |
| Appendix 1: The 2016 CAPA AT Survey | 49 |
| Appendix 2: Some Questions for PAOs to Consider | 51 |
| Appendix 3: Organisations Providing AT (or similar) Programs in Asia Pacific | 52 |
| Appendix 4: United Kingdom AT Programs | 53 |

ABOUT CAPA

The Confederation of Asian and Pacific Accountants (CAPA) is recognised by the global accountancy profession, represented by the International Federation of Accountants (IFAC), as a regional organisation for national professional accountancy organisations (PAOs) in Asia Pacific.

The mission of CAPA is to enhance the value of the accountancy profession in Asia Pacific by:

- contributing to the development of Professional Accountancy Organisations;
- promoting ethical values and the benefits of high-quality accounting, reporting and assurance; and
- speaking out as a voice of the accountancy profession.

ABOUT THE PUBLICATION

This publication is supported by the Professional Accountancy Organisation Development Committee (PAODC) of CAPA with the assistance of a dedicated Accounting Technician (AT) Task Force providing oversight and advice. The PAODC is focused on the development of strong and sustainable PAOs through the identification, development and sharing of relevant knowledge, tools and guidance.

This publication and other development materials may be accessed at, and downloaded from, the CAPA website at: www.capa.com.my. Any comments on these publications or related materials should be directed to the CAPA Secretariat: admin@capa.com.my

ENDORSEMENT



International Federation of Accountants (IFAC) – IFAC is the global organisation for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies.

A key focus area for IFAC is supporting the development of PAOs and their members. IFAC endorses this publication, which it recommends to those PAOs seeking to create, support, liaise with, or otherwise assist with developing and strengthening the AT sector.

ACKNOWLEDGEMENTS

ASEAN Federation of Accountants (AFA) – for its assistance in encouraging responses to the CAPA AT survey conducted in 2016.

Association of Accounting Technicians (AAT) – for its support in developing this publication, including the conduct of survey interviews during 2017 and analysis of results. AAT has a long-standing relationship with CAPA, and in 2012, became the first AT member organisation to be admitted to full membership of IFAC.

The accountancy profession in Asia Pacific – CAPA is grateful to all the PAOs and other AT member organisations in Asia Pacific that contributed to the AT survey and to the case studies included in this publication.

PREFACE

Purpose

This publication is written for professional accountancy organisations (PAOs) throughout the Asia Pacific region. The aim is to encourage these organisations to consider the importance of Accounting Technicians (ATs) in the accounting sector, and whether and how they might create, support, partner, liaise with, or otherwise assist with developing and/or strengthening an AT (or equivalent) cohort within their country. Organisations representing groupings of PAOs in the region such as the South Asian Federation of Accountants (SAFA) and the ASEAN Federation of Accountants (AFA) in Asia will also find this useful, as will other PAOs and AT member organisations globally.

It is designed to assist PAOs increase their understanding of:

- the services the AT sector provides;
- the business and economic context within which the AT sector operates;
- the case for encouraging the AT sector to adopt core professional values and comply with core professional requirements;
- opportunities for PAOs and their members; and
- ways of developing and sustaining the AT sector.

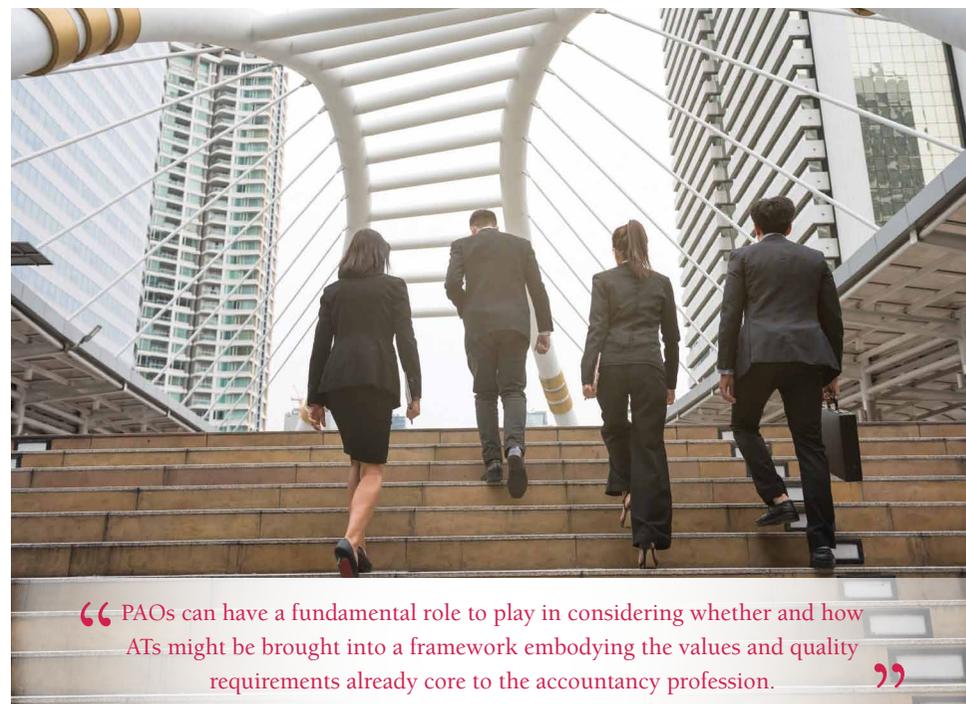
In considering the topic and reflecting on the experience of others, individual PAOs are prompted to consider whether and how they might get involved, or otherwise revise their approach. PAOs have a public interest remit and are, by their very nature, committed to high-quality financial management and reporting. In driving quality throughout the accounting supply chain, in the public and private sectors alike, PAOs may find new opportunities to increase their membership and revenue by broadening their base or by creating links with other organisations.

CAPA's commitment to the public interest leads it to advocate the adoption of, and compliance with, professional values throughout the accounting sector. PAOs can have a fundamental role to play in considering whether and how ATs might be brought into a framework embodying the values and quality requirements already core to the accountancy profession.

The decision to commission this publication was informed in part by the 2016 CAPA survey of PAOs throughout Asia Pacific which collected information about the availability of AT or similar programs and qualifications within their jurisdictions. The key outcome was a picture of divergence and, on occasion, confusion (see **Appendix 1**).

Asia Pacific

Asia Pacific encompasses a wide range of economies, from fragile to robust high income economies and, as classified in the *Transparency International Public Sector Corruption Perceptions Index*, from 'highly corrupt' to 'relatively clean'. There is a wide range of PAOs from the newly formed to the well-established, from the small to the large, from those focused solely on the private sector to those more broadly based. Whatever the market and regulatory structures and whatever the positioning and strength of the PAO, there is a strong case for examining the activities undertaken by the 'AT sector', who is working in that sector and whether the sector is of sufficient size and quality to meet current and future demands.



“ PAOs can have a fundamental role to play in considering whether and how ATs might be brought into a framework embodying the values and quality requirements already core to the accountancy profession. ”

Terminology

'Accounting Technician'

The IFAC *Good Practice Guide: The Education, Training and Development of Accounting Technicians* published in 2009 provides a working definition:

"An Accounting Technician is a skilled person who undertakes many of the day to day functions in the accounting environment. Accounting Technicians may work alone in smaller organizations but in larger organizations usually work in support of senior accountants ... Accounting Technicians work in all types of organizations, including commerce and industry, government, public services and private practice. Accounting Technicians may progress to higher level jobs or qualifications once they have completed their technician level of training."

In many countries the term 'Accounting Technician' (AT) is not used at all and different terminology may be used (e.g. bookkeeper, public finance accountant, accounting administrator). On occasion there may be no specific and separate terminology to describe those accountancy services which elsewhere are seen as relating to this cohort. Further, such services may be provided by professional accountancy students as an element of their practical experience training requirements.

Throughout this publication, the term AT is used to describe all those providing such services.

Readers in countries where there are no separate AT qualifications and/or brands are encouraged to consider who is providing such services, regardless of the description used, and whether or not they have confidence in the quality of those services.

There is usually a good reason when terminology is neither universally accepted nor universally understood. Work in preparing this guide suggests that it is the word 'technician' that causes the most confusion, giving a false impression that the AT sector focuses solely on technical and/or IT related matters. Looking ahead, it may be helpful to find a different term, one more widely accepted, to reflect the range of services offered by those referred to in this publication as the AT sector.

'Professional accountant'

Throughout this publication the term 'professional accountant' is used to describe accountants who are members of a nationally recognised PAO having attained a professional accountancy qualification and designation. It encompasses a plethora of descriptors and designations (e.g. chartered accountant, chartered professional accountant, certified public accountant, certified professional accountant, chartered certified accountant, chartered management accountant) and is widely accepted in Asia Pacific to embrace all of these. In this regard, and for the purpose of this publication, a distinction is made between professional accountants and ATs, notwithstanding that properly regulated ATs would be regarded as 'professional'.

'Membership'

This publication uses the term 'membership' to mean a continuing relationship between a qualified individual and a member organisation, a relationship which is reviewed and renewed annually.

Disclaimer

Although significant effort has been undertaken to ensure the accuracy, currency and completeness of the information contained in this publication, especially in the case studies and appendices, CAPA does not accept any responsibility or liability associated with the completeness or accuracy of the information. Users should undertake their own enquiries in following up on any programs referred to in this publication.

WHY – THE CASE FOR CONSIDERING THE TOPIC OF ATs

Whatever their stage of economic development, all countries, across all sectors, have a workforce supporting the preparation of financial information at an operational level. Timely, credible and reliable financial information is fundamental to successful investment, to effective governance and to the quality of service delivery both by this workforce and by professional accountants that rely on it.

This is why CAPA wishes to encourage PAOs to consider the importance of this workforce in the accounting sector. Training and professionalising the AT workforce is not just about benefiting individuals by opening access to professional qualifications nor about benefiting the organisations that will be strengthened accordingly. More importantly, it is about benefiting national and regional economies, business and government, and ultimately the public interest.

Benefiting the Economy

The World Bank January 2018 Global Economic Prospects report predicted global growth rates of 3.1%, with 6.2% for developing East Asia and the Pacific and 6.9% for South Asia. The International Monetary Fund (IMF) *World Economic Outlook Update January 2018* predicted global growth rates of 3.9% for both 2018 and 2019. The IMF numbers masked significant extra- and intra-regional differences, with emerging and developing Asia predicted to grow at around 6.5% and to account for over half of world growth.

Overall though, these predictions suggested a broad-based slowdown, with the IMF urging all economies, the advanced, the emerging and the developing, to focus on increasing economic growth and, equally importantly, on developing economic resilience. One of the many factors in determining such resilience is the development of a healthy financial sector supported by quality institutions and by quality professionals operating at all levels.

The role of accounting in promoting economic health is often under-rated, as discussed in the ICAEW 2017 publication *Growth, Development and Accounting: Seeing the Bigger Picture*. Focusing on four key areas (the quality of management decisions, the volume and quality of investment, the ease and efficiency of market transactions, and taxation), the report argues that access to relevant and reliable accounting information, from basic record-keeping to reporting, is vital. However, unfortunately it notes “the connection [with] accounting is not widely understood and... the contribution of accountancy to the economy is, therefore, often under-valued”.

Professionalisation throughout the accounting sector at both AT and professional accountant level is fundamental to increasing the quality as well as the quantity of finance staff.



While development partners, as can be seen in the accompanying dialogue box, naturally emphasise the benefits of a qualified AT sector to emerging and developing economies, the sector is vital in developed economies too. The evidence is reflected in the significant numbers working at an operational level, whether or not they are specifically known as ATs within their jurisdiction. Without doubt, the accountancy profession has a significant role to play in supporting and maintaining sound and stable financial infrastructures.

In developing and emerging economies, where education sectors tend to be less developed and the public sector and medium, small and micro businesses may be more dominant, there may arguably be less demand for professional accountants and greater demand for basic accounting skills with a focus on basic transactional recording. However, all economies, whatever their stage of development, will benefit from a framework providing a range of relevant accounting qualifications and a workforce imbued with professional values.

The View from Development Partners

Development partners are long-standing advocates of the value and importance of ATs to developing economies. Indeed, CAPA's earliest work to support ATs by developing training materials in 1990 was funded by the Asian Development Bank (ADB).

The ADB, working with the World Bank and other development partners, continues to advocate a greater role for ATs in developing economies in both the public and private sectors. These and others are signatories to MOSAIC¹, a collaboration between IFAC and the international donor and development community. In 2013, they issued a *PAO Global Development Report* which notes:

"In the Asia-Pacific region, additional efforts are needed to develop the accounting technician sector of the profession. In countries where PAOs are very fragile ..., the development of a strong accounting technician sector may offer opportunities to develop a strong membership base, provide an education and certification system that better fits the needs of the economy ..."

The view has not changed since, with the World Bank noting at the 2016 Financial Reform for Economic Development (FRED II) conference in Malaysia which focused on the public sector, that accountants with the highest level of professional accountancy qualifications are not necessarily needed at all levels within the public sector and that there may be a greater role for ATs.

In an interview the same year, the World Bank Director, Governance Global Practice, expressed it as follows:

"... it is important to address the skills gap in the profession ... There are various ways that this gap can be reduced, including the development of qualification frameworks, strengthening regional organizations, and the professionalization of accounting technicians ..."

Further, the Vietnam 2017 World Bank *Report on the Observance of Standards and Codes, Accounting and Auditing Module*, an initiative that helps countries strengthen their financial systems, recommended the following to improve the accountancy qualification regime:

"...it may be advisable to split the revised CPA (Certified Public Accountant) program into two levels:

- A technician-level certification, the program for which would retain the structure of the current program and be updated to address the latest standards and regulations
- A professional-level certification, which would incorporate international standards and practices, and for which mutual recognition with leading international PAOs could be achieved"

¹ Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration

Benefiting Government and Business

Put simply, **government and business, if they are to thrive, need to be able to call on a workforce fit for purpose:** the right people with the right qualifications and the right experience in the right place at the right time. Achieving this, of course, is far from simple, particularly as the time taken to train professionals can be lengthy.

Environmental changes can have, or threaten to have, a huge impact on the accountancy profession. While solutions are certainly not easy to find, improving quality throughout the accounting sector can only be beneficial. Three areas of current interest to PAOs are highlighted in the accompanying dialogue boxes and **ATs have an important role to play** in each of these areas.

Nevertheless, some factors do remain constant. That there is a skills gap is well understood as is the relatively small talent pool from which some PAOs may draw their students and members. Both are areas where PAOs can work to make a real difference, a difference that benefits governments and businesses alike.

The Skills Gap

Whilst widely acknowledged, quantifying the skills gap is more difficult. In 2015 IFAC estimated that globally USD 29.1m was needed to upgrade the profession in Asia Pacific if every country is to have a fully functioning PAO with sufficient capacity to adhere to international standards. It also estimated this may take thirty years and is contingent on the commitment and cooperation of development partners.

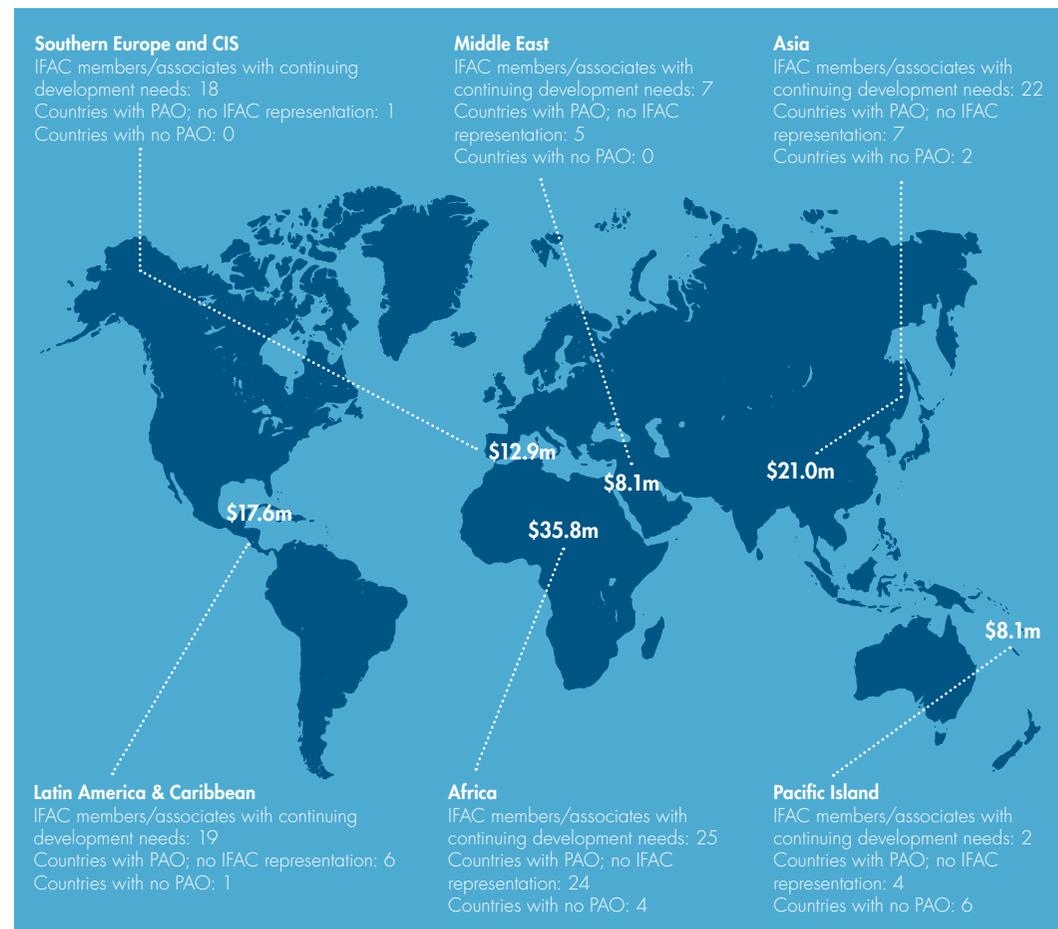


Image source: <https://www.ifac.org/about-ifac/developing-global-profession/global-need>

Three Areas of Current Interest to PAOs

1. Public Financial Management (PFM)

There is growing awareness of the pressing need to improve the quality and effectiveness of financial management in the public sector. This is fundamental to economic development and growth. Particularly in countries where there is no strong tradition of professional accountants working in the public sector, skills shortages can be highly damaging and severely limiting to the provision of quality financial management of public funds and activities.

The CAPA Chief Executive, writing in the 2018 ICAEW publication *The Role of Financial Leadership in Sustainable Public Finances*, stressed the importance of reliable basic information:

“Resources not only need to be properly controlled and measured, they need to be allocated and managed strategically and smartly ... if the basic capacity is not available, the opportunity to embed financial leaders in the public sector may become just wishful thinking ... good decision-making requires good information.”

2. Business Process Outsourcing (BPO)

A high number of Asia Pacific countries are strong in BPO, both off- and on-shore. BPO finance and accounting services entail many routine tasks, the kind of tasks typically performed by the AT sector.

The 2017 A.T. Kearney *Global Services Locations Index: The Widening Impact of Automation* looked at 55 countries, assessing them in terms of financial attractiveness, skills and availability, and business environment. Eight Asia Pacific countries were listed in the top twelve: India, China, Malaysia, Indonesia, Vietnam, Philippines, Thailand and Sri Lanka. The same consultants also found that BPO jobs, particularly in finance and accounting, are at significant risk from technology in the next five years, and believes that any new roles are more likely to be created in close proximity to the businesses they serve. They predict that only one new automation management position will be created for every four jobs lost to technology.

3. A Technology Revolution

There is increasing awareness of and concern about the impact of technology on the accounting sector, and no shortage of reports predicting a significant loss of jobs, particularly at a junior level. While comments may be highly speculative and sometimes sensationalist in tone, it is clear that the finance sector is facing up to change at an exponential rate even if it is not quite so clear how this change will be shaped and what its impact will be.

The message is one of a technology revolution – a Fourth Industrial Revolution in the words of the World Economic Forum (WEF) – a revolution expected to favour disproportionately countries with more highly-skilled, educated and flexible workforces. It will impact economies in different ways at different times, depending on factors such as the availability of basic accounting skills, the stage of economic development and the ability to respond rapidly to new demands.

In its *Future of Jobs Report 2016* the WEF makes three recommendations critical in building long-term business resilience:

- re-think education systems to close the gap between pure and applied training;
- incentivise life-long learning; and
- develop cross-industry and public-private collaboration.

PAO and AT member organisations perhaps have a head start here, with member admission usually based on a mix of academic achievement and practical experience, and members required to commit to continuing professional development (CPD). They have a unique opportunity to develop a structured environment where professionals throughout the accounting sector have clearly understood roles and work harmoniously.

Benefiting Individuals

In even the most developed and thriving of economies, there will be talented people, who for a variety of reasons, do not have access to higher education and thus a role as a professional accountant. In emerging economies, where opportunities are fewer, this can be the norm.

The scale of challenge revealed in research commissioned by IFAC in 2015 (*Nexus 1: The Accountancy Profession Behind the Numbers*) certainly gives pause for thought. The research estimated that IFAC PAOs represented only one-third of those working in accounting related fields:

“The remaining two thirds are, for example, people who identify as accountants – but whose jurisdiction may not require professional training or qualification – and people who identify their role as an accounting support function.”

The second report, *Nexus 2: The Accountancy Profession – A Global Value-Add*, found:

“The global economic contribution of individuals defined as accountants, but not affiliated with an IFAC PAO, is \$327 billion. This figure highlights a significant opportunity for the global profession to be even more coordinated and impactful, and thus contribute even more to economic growth and prosperity.”

Establishing an accounting qualifications framework with more flexible entry criteria can open up access and opportunities to a larger, more diverse, talent pool. This benefits those disadvantaged by lack of higher educational opportunities and, just as importantly, facilitates PAOs wishing to recruit from a wider range of students.

“ AAT’s inclusive approach to education characterised by cost effective fee structures, trilingual examinations and an extensive geographical reach ... [provides] an opportunity for students from rural and low-income families to obtain a professional qualification. ”

- Association of Accounting Technicians of Sri Lanka

“ Competition for talent remains high. Good graduates and qualified professionals in particular are hard to come by. Foundations in Accountancy will help your organisation access new talent pools such as school leavers and career changers. It allows your employees to demonstrate their capabilities and enables you to identify talented people for further development. ”

- ACCA

“ KPMG360° is a vital part of our strategy to widen access to Professional Services for individuals, irrespective of their background. We chose AAT for the Foundation and Technician Levels of this innovative programme due to their long standing commitment to helping diverse individuals to fulfil their potential. ”

- KPMG United Kingdom

Benefiting The Public Interest



IFAC defines the public interest² as “the net benefits derived for, and procedural rigor employed on behalf of, all society in relation to any action, decision or policy”.

Serving the public interest is core to the work of IFAC and its members. IFAC summarises the reasons accordingly:

“A robust and well-functioning accountancy profession, composed of competent and capable professionals supported by a strong professional accountancy organization, contributes significantly to the sustainability of small, medium, and large business; sound capital markets; effective stewardship of public finances and delivery of public services; and – ultimately – economic growth.

PAOs, as an integral part of national financial infrastructure, hold the potential to provide a significant contribution to the financial, economic, and social development of their countries, regions, and the world. When PAOs function appropriately, they:

- act in the public interest;
- develop and produce capable and competent accountancy professionals;
- promote and enforce strong professional and ethical standards;
- act as a resource to government, regulators and other stakeholders; and
- further the quality of financial management and reporting”³.

Accordingly, acting in the public interest increases trust in the eyes of citizens and other stakeholders. **The broad accountancy profession needs to act in the public interest – there can be no outliers – and member organisations, serving both professional accountants and ATs, have a role to play.**

The fundamental public interest premise of the 2009 IFAC *Good Practice Guide: The Education, Training and Development of Accounting Technicians* is as strong now as it was then:

“A clearly-defined skills development and skills maintenance framework of technical competence, from the accounting technician entry level to the professional accountant level, enables economies to develop their capacity in a cost-effective way. In addition, the formalization of the role of the accounting technician engenders public confidence in the accounting technician level of the accountancy profession and provides a reference to a standardized level of technical knowledge, competence, ethics and performance of the individual.”

² IFAC Policy Position 5

³ <https://www.ifac.org/about-ifac/developing-global-profession>

WHY – THE CASE FOR CONSIDERING THE TOPIC OF ATs

Professional Values

CAPA advocates the adoption of, and compliance with, professional values throughout the accounting sector. A continuing relationship with a membership organisation and the services it offers encourages individual professionals to keep up-to-date and to develop their knowledge and skills. Membership similarly sets ethical expectations and compliance requirements and provides mechanisms to support and to oversee the exercise of professional judgement.

IFAC's 2018 report, *The Accountancy Profession – Playing a Positive Role in tackling Corruption*, explains why this is so important:

“Core qualities that make accountancy a global profession are its robust international ethical code, comprehensive educational requirements, and ongoing monitoring and oversight mechanisms. The link with more favourable corruption scores is three times stronger for professional accountants that have committed to these qualities than for individuals who may identify as accountants but do not possess professional qualifications (for example, in countries where professional qualifications are not required, or individuals working in support roles).”

The then World Bank Director, Governance Global Practice issued a call to arms in a 2016 interview:

“... illicit financial flows (IFF) are a significant threat to global economic growth. The Global Financial Integrity (GFI) organization reports that, in 2013, the amount of IFF from developing countries was greater than the combined total of foreign direct investment and net annual official development assistance. GFI also reports that fraudulent invoicing of trade transactions was the largest component of illicit financial flows. Responsibility rests with accountants to act in an ethical way to prevent such practices in organizations.”⁴

And the IMF Chief Accountant, writing in the ICAEW publication, *The Role of Financial Leadership in Sustainable Public Finances*, explains the role of PAOs in supporting the exercise of professional judgement:

“... appropriate safeguards need to be in place to protect the finance professional's ability to exercise appropriate professional judgement. Many accounting and finance professionals working in the public sector belong to professional bodies that impose ethical obligations on members, in areas such as professional competence and due care, confidentiality and professional behaviour.”

These comments are relevant to all members of all accountancy organisations, wherever they work and whoever they work for. Such expectations of professional behaviour must be underpinned and enforced by trusted investigation and discipline systems with real teeth as explained in the CAPA *Maturity Model Guidance Series: Investigations & Discipline* guide:

“A credible accounting profession, built on integrity and quality, requires a strong system of investigation and discipline in order to appropriately administer consequences to members who do not behave in an ethical and professional manner.”

Imbuing professional values is a never-ending process. Ethical training, including exposing students to hypothetical or real-life dilemmas, is an essential element of a professional qualification, but it is not enough on its own. Governments, businesses and employers are accountable for their decisions; likewise, individuals working in the accounting sector must take responsibility for their own actions.

PAOs and AT member organisations have a crucial role to play in nurturing and supporting their members, so that they have the necessary knowledge and confidence to act with integrity, objectivity and independence.

⁴ <http://www.worldbank.org/en/news/opinion/2016/04/26/a-global-perspective-on-the-accountancy-profession>

Strengthening the Accountancy Profession

The accounting profession in Asia Pacific is faced with two sometimes conflicting but inter-related trends:

How best to meet current demand, particularly where skills are in short supply and provision may be of poor quality?

How best to prepare to meet future demand in the face of rapid change?

Members of PAOs and AT organisations are accustomed to constantly changing demands from a wide range of stakeholders. Increasing reliance on technology and on real-time data brings with it new regulatory and compliance challenges. Increasing disclosure engenders new public expectations in terms of professional accountability and behaviour; and if things go wrong, in terms of demands for compensation. **For professional accountants to be truly confident in the quality of their services they must have confidence in the work they rely on throughout the accounting supply chain.**

PAOs cannot control their economies nor can they do much to influence the attractiveness and security of the business environment within which they operate. What they can do is support the development of knowledge, skills and values relevant to a fast changing world. Uncertainty brings challenges, but also opportunities.

In seeking to strengthen and maintain sustainability, all PAOs continually consider their business models, including opportunities to increase membership, whether that be by growing membership in existing areas of focus, expanding into other sectors, or considering other categories of membership. **A focus on ATs may provide either a new membership category or an opportunity for ATs not otherwise in the PAO to advance and attain professional accountant membership.** Increasing the membership base can both strengthen the member organisation and contribute to the sustainability and quality of the accounting sector as a whole.

The MOSAIC PAO *Global Development Report* argued for comprehensive and broad based professionalism:

“Due to the strong connections between PAOs and other components of national financial infrastructure, efforts to improve and strengthen PAOs must be undertaken comprehensively.

- *The first of the “Ten Key Areas of Focus for MOSAIC PAO Development Activities”*

“A broad-based profession that offers different education requirements, assessment, and practical experience suited for different areas of emphasis within the profession, provides personnel who are fit for purpose with the opportunity to enhance the profession. A broad-based profession also offers opportunities to build the membership base of PAOs, which allows for self-sustaining operations. Although there has been movement in some regions toward developing PAOs with broad membership (e.g. auditor, management accountant, and accounting technician) additional awareness building and reinforcement is needed to support these PAOs, either at the national or regional level, in designing and delivering such offerings.

- *The fifth of the “Ten Key Areas of Focus for MOSAIC PAO Development Activities”*

Subsequently, IFAC and its development partners initiated further work to explore the need for, and demand for, foundation financial training in developing economies. The general direction is clear – **there is a strong case for building relevant qualifications at different levels, which stand alone in their own right but also offer access within a clear framework to the next tier for those wishing to continue their studies.**

WHAT – THE DESIGN AND IMPLEMENTATION CONSIDERATIONS

The Role of the AT

A formal definition of the term 'accounting technician' is provided in the 2009 IFAC *Good Practice Guide: The Education, Training and Development of Accounting Technicians* as noted on page 6.

In short, ATs generally assist the more highly qualified professional accountant with routine tasks such as processing invoices, receipts and payments, completing and submitting tax returns, managing payroll and expenses, producing monthly accounts, and planning and controlling budgets. The tasks may be routine but timeliness and accuracy are essential. The more experienced ATs may also advise on budgeting, tax compliance, audits and consultancy, all tasks requiring both an understanding of systems, and judgement as to how they are best used.

Depending on the sector, professional accountants may rely on the work of ATs when offering advisory services to the public. Or, as the IFAC Guide points out, ATs may work alone in small and micro organisations as the sole finance expert. In some countries, ATs themselves may be licensed to offer services direct to the public. So analytical and soft skills are essential, as is an understanding of the business context within which ATs work, the ability to manage themselves and to collaborate with others.



The Key Components

In considering what an AT-styled organisation and program may look like, the key components are:

- organisational arrangements and structures, and
- characteristics and attributes of an AT program

A) Organisational Arrangements - Alternative Models

An AT program in any jurisdiction may be offered by various means, dependent on national, economic, regulatory, cultural and historic variables. There is no one clear model. However, the endgame is similar. The opportunity to study will be offered, usually at non-graduate level, leading to an AT or similar qualification with a designation; and membership of a recognised organisation will be available that brings with it both advantages and obligations. There will also be a clear pathway for those wishing to work towards a higher-level professional accountancy qualification.

Alternative models include the following four:

1. Separate Organisation Sponsored by National PAO

The original model, and still the most common starting point is one of a separate AT member organisation sponsored by one or more national PAOs. The AAT, launched in the UK in 1980, was the first and provides a benchmark, having created an approach and language adopted elsewhere, including by IFAC in its *Good Practice Guide*.

This is the model adopted in Australia, Bangladesh, Pakistan, South Africa and Sri Lanka although some sponsorship arrangements have now run their course or are under review. There are many variations on a theme, and the changes introduced by AT member organisations in the light of experience reflect a continuing commitment to adapt to market needs.

2. Embedded Within National PAO

Another approach is for a national PAO to develop its own AT or similar program, sometimes but not always with an accompanying designation and membership. CPA Canada offers an intermediate level accounting and finance skills certificate designed for the Canadian market where the term AT is not commonly used. It is a professional qualification in its own right but one which does not offer a CPA Canada designation or membership.

Chartered Accountants Australia and New Zealand (CA ANZ) has also developed its own program, for New Zealand only. There are three pathways, all leading to designation and membership: *Academic*, *Vocational* and *Experience*, each with different entry criteria and study requirements. The AT qualification is seen, and used by many students who do not hold a relevant commerce degree, as an intermediate step along a pathway towards achieving the CA qualification.

CANADA: An intermediate level accounting and finance program combining technical knowledge with applied skills, the Advanced Certificate in Accounting and Finance (ACAF) has all the hallmarks of an AT program in terms of educational content, learning outcomes and the competencies acquired.



NEW ZEALAND: Focus on, and inclusion of, ATs in the accountancy profession has worked effectively in New Zealand for many years. 40% of new students are choosing the new *Vocational* and *Experience* pathways which open access to those who do not meet the usual academic entry criteria.



3. Established Independently of National PAO

The National Institute of Accounting Technicians (NIAT) in the Philippines is perhaps unique as an AT member organisation which developed independently of the national PAO. NIAT does not work with the national Philippine Institute of Certified Public Accountants (PICPA) nor does it engage with regional and global professional accountancy groupings. As the brainchild of a professional accountant, it does however resemble a PAO in offering a qualification, designation and membership, and it is recognised by the government. AT organisations which are independent of the PAOs can also be found in China and Japan.

PHILIPPINES: The AT member organisation has substantial numbers of students and members. Although quite separate from the national PAO, it is recognised within the overall educational framework.



4. Partnering with Others

Another highly effective and pragmatic approach is for a PAO to offer an AT qualification by partnering with others that already have such programs in place. An added advantage to students is that it may lead to membership of both partner organisations.

The Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA), a PAO with limited resources in a lower-middle income economy, works in partnership with the ACCA to offer the ACCA Certified Accounting Technician (CAT) program.

The Institute of Singapore Chartered Accountants (ISCA), by contrast a well-resourced PAO in a high-income economy, also works in partnership, in this case with the AAT. The program supports the government's SkillsFuture program and offers both ISCA associate and AAT membership.

Another form of partnering is one where the program is tailored to meet the specific requirements of employers. The Pakistan Institute of Public Finance Accountants (PIPFA) offers a public sector stream with several alternatives.

CAMBODIA: There is a significant shortage of qualified professional accountants. As a result, 90% of those completing the CAT program continue on to complete the ACCA professional accountancy qualification, many with employer sponsorship, and gain membership of both ACCA and KICPAA.



SINGAPORE: To increase the relevance of the qualification to the Singapore market, ISCA has modified the AAT syllabus in law, tax, IT and ethics.



PAKISTAN: PIPFA offers alternatives in its public sector stream to meet the specific requirements of a number of government departments, including the Auditor-General of Pakistan (AGP), Pakistan Military Accounts Department (PMAD) and Pakistan Railway Accounts Department (PRAD).



WHAT – THE DESIGN AND IMPLEMENTATION CONSIDERATIONS

Evolving Models – In the Light of Experience

As AT member organisations and AT programs mature, approaches change in the light of experience. Below are a few examples of how they have adapted to market challenges by introducing new initiatives.

AAT (Sri Lanka) was established in 1987 and now has 30,000 students and 5,500 members. Operating successfully over a long period, it is a good example of what is possible when an organisation meets market demands. To maintain and improve quality through continuing support and development for students and members alike, AAT (Sri Lanka) opened its business school in 2014. A Higher Diploma Accounting and Finance has been introduced plus IT, tax and professional skills programs.

Experience may also impact the relationship with sponsoring PAOs. The AT member organisation may mature, leading it to separate from its sponsor and operate entirely independently, as has happened in the UK.

The sponsoring PAO may completely re-think matters. In Hong Kong, for example, what was the AT qualification is, from 2020, to be embedded into the revamped Hong Kong Institute of Certified Public Accountants (HKICPA) professional qualification. The Hong Kong Institute of Accredited Accounting Technicians (HKIAAT) will remain for the time being, but only to support its existing membership.

AAT Bangladesh has taken another approach altogether by re-branding, with the full support of its members and government, as the Institute of Certified General Accountants of Bangladesh (CGA Bangladesh). It is the marketing and brand which has changed rather than the qualification.

In South Africa, the AT qualification was launched in 2008 as a joint venture between the AAT and the South African Institute of Chartered Accountants (SAICA). Ten years later, AT branding has been retained but there have been significant changes to governance and market focus. AAT sponsorship has ended, leaving SAICA responsible for working with Accounting Technicians (South Africa). The program now offers three streams aimed at different segments of the market. Participants have a membership relationship with AT(SA) from the outset.

SRI LANKA: AAT (Sri Lanka) Business School in Colombo is a centre of excellence for managerial and executive development, offering career pathways for AAT Sri Lanka students and members.



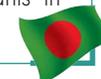
UNITED KINGDOM: With 80,000 students and 50,000 members, the original AAT sponsorship relationships have ended, although the pathways from the AAT qualification to the sponsor's professional qualifications remain in place.



HONG KONG: While the AT sector is clearly recognised by the profession, market demand for the AT qualification is falling and a separate qualification and designation will no longer be available.



BANGLADESH: CGAs work side by side with other professional accountants in business, practice and the public sector.



SOUTH AFRICA: A qualification with three streams aimed at the corporate, local government and public sector. There are five levels of membership starting with Red membership for students and culminating in Platinum membership for qualified ATs with five years experience.



B) Program Characteristics

Whatever the framework, market focus and the branding, professionalised AT programs have much in common. The watchword is quality: a quality program attracting quality students to meet market needs and satisfy regulatory requirements.

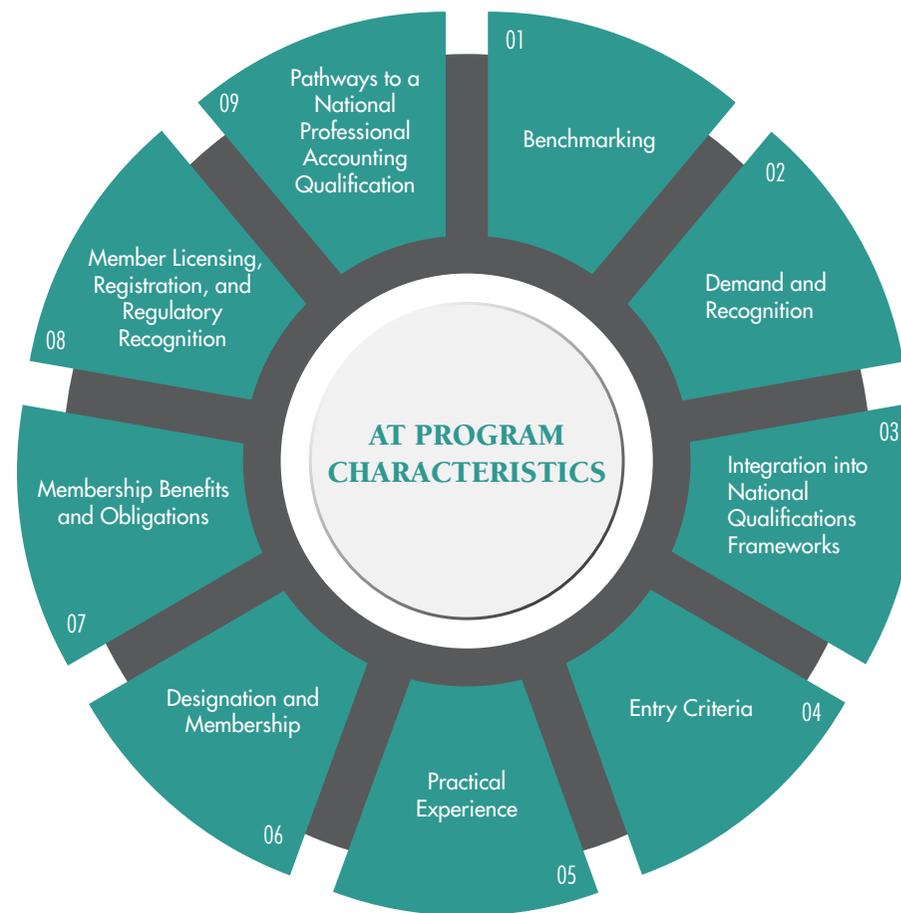
Ideally, an AT or equivalent program can be expected to have the following characteristics:

- benchmarked against IFAC guidance and positioned within a national qualifications framework where one exists;
- satisfying regulatory and market demand which offers good career prospects;
- varying levels to prepare students for increasingly complex roles;
- entry criteria aimed at school leavers or diploma holders who may also obtain credit for relevant practical experience;
- a combination of examination and practical experience;
- a qualification offering a recognised designation and membership;
- post-qualification regulatory and licensing requirements for those offering services to the public, where relevant; and
- an optional pathway to a professional accountancy qualification.

1. Benchmarking

Benchmarking is particularly important as a way of sharing with, and learning from, the experience of others. It provides comparators for regulators, employers and students and encourages providers to stay relevant to, and be aware of, market demand. Programs can be benchmarked against:

- the IFAC *Good Practice Guide: The Education, Training, and Development of Accounting Technicians*;
- International Education Standards and Guidance set by the International Accounting Education Standards Board (IAESB);
- national qualifications frameworks; and
- AT qualifications offered by others, including from other jurisdictions.



WHAT – THE DESIGN AND IMPLEMENTATION CONSIDERATIONS

2. Demand and Recognition

'Demand' may be just one word but it is one with many facets. Central to this, the market must have confidence in the AT qualification and be prepared to pay for the knowledge and skills that ATs bring to the workplace. Governments and regulatory authorities must have confidence too. Market and regulatory recognition are key, and intertwined.

• Students

Students must have confidence that they will succeed, first with their studies and then with their careers. Students are looking for accessibility, affordability, flexibility, quality tuition, support from their employers in meeting practical experience requirements, portability and pathways to PAO professional accounting qualifications. Most of all, they are looking for employability.

• Market recognition

AT programs support businesses of all sizes, from the smallest, where an AT may be the only person with any financial training, to the largest which keep a keen eye on costs by seeking to match knowledge and skills to specific roles. Cost-effective is not the same as lowest cost however, and the premium placed on quality can be seen by the higher salaries commanded by qualified ATs when compared with unqualified persons working in similar roles.

The business market remains hugely important but there is perhaps a newer awareness of the desperate need in many countries to improve the quality of public sector financial management and the contribution that can be made by a qualified AT cohort.

• Regulatory recognition

Ideally, AT member organisations and PAOs will also be formally recognised within their jurisdiction, hence carrying the support of the government and regulator. The organisation will be established under statute and subject to regulatory oversight. Such recognition brings with it expectations of quality, responsibility and commitment to the public interest, expectations which contribute to building market attractiveness.

3. Integration into National Qualifications Frameworks

Where they exist, national qualifications frameworks are useful in raising awareness of programs and in providing a benchmark against which content can be compared. As an illustration, the AAT program is structured in four levels, each preparing students for specific roles as set out in the UK national qualifications framework. The list is comprehensive with roles increasing in responsibility and in complexity based on the qualification level attained as shown in the accompanying table:

| AAT QUALIFICATION LEVELS | ROLES (based on UK national qualifications framework) |
|---|---|
| LEVEL 1: An access qualification | Cashier Clerical assistant |
| LEVEL 2: Foundation Certificate in Accounting | Accounts administrator Accounts assistant Accountants payable clerk Bookkeeper Payroll administrator Purchase/sales ledger clerk |
| LEVEL 3: Advanced Diploma in Accounting <ul style="list-style-type: none"> • AATQB (Bookkeeper) title • AAT membership • Licensed Bookkeeper if offering services to the public | Accounts payable clerk Assistant accountant Audit trainee Bookkeeper Credit controller Finance assistant Payroll supervisor Tax accountant |
| LEVEL 4: Professional Diploma in Accounting <ul style="list-style-type: none"> • Accredited Accounting Technician title • AAT membership as MAAT (member) and, after 5 years, as FMAAT (fellow) • Licensed Accountant if offering services to the public | Assistant financial accountant Budget and financial performance Commercial analyst Cost accountant Finance manager/officer Fixed asset accountant Indirect tax manager Payroll manager |

4. Entry Criteria

Many PAOs set demanding academic entry criteria for their professional qualification programs, requiring first degrees, sometimes in accounting, from accredited universities. By contrast, AT member organisations and their tuition providers are likely to set minimal entry criteria, often aiming at school leavers. Credits for prior learning will be available to those with additional and relevant education, exempting them from the most junior levels of the program.

This widens the talent pool, opening access to students who would otherwise have little opportunity to pursue a career in the accounting sector.

SINGAPORE: A qualification which supports the Singapore government SkillsFuture program and is designed to offer opportunities for all, regardless of their start in life.



5. Practical Experience

Practical experience is often but not always a component of an AT program. Where it is required, it must be relevant and verified by an approved employer. Such requirements are usually combined with or follow AT level academic study but this is not always the case. In Samoa, for example, where the PAO does not have its own AT level program, AT members are admitted on the basis of an accounting diploma provided they also have considerable work experience.

SAMOA: The Samoan Institute of Accountants does not have its own AT qualification program but admits to AT level membership those with an accounting diploma and 10 years practical experience.



6. Designation and Membership

As with professional accountants, qualified ATs benefit from the right to use a recognised designation and belong to a respected membership organisation – one that sets entry and continuing membership requirements and is able to administer consequences (expulsion or penalties) for wrong-doing.

It is a given that AT member organisations offer a designation and membership to those who qualify with their programs. This is not necessarily the case where the programs are administered by PAOs.

Where there is no specific post-tertiary AT program, PAOs may decide to admit members on the basis of an external diploma, as is currently the case in Fiji where those with an accounting diploma can join the Fiji Institute of Accountants as an Affiliate/AT level member.

Where there is an AT program, organisations may offer different levels of membership to accommodate those achieving different levels of qualifications, as in South Africa. Other organisations may require supplementary ethical and practical experience requirements to those completing the AT level qualification, as in Singapore. Some reserve designation and membership only for those completing the full professional qualification requirements, as in Canada and Hong Kong. And PAOs partnering with another organisation may offer a designation and/or membership from both organisations.

7. Membership Benefits and Obligations

Joining a credible, professional membership organisation is not just about the use of a designation, important though that is. Membership offers life-long learning and support through publications, technical advisory services, events and networking opportunities.

However, membership also entails a commitment to, and compliance with, professional values. The details will vary, but membership obligations can be expected, in general terms, to include compliance with:

- a minimum level of Continuing Professional Development (CPD);
- a code of ethics; and
- the exercise of professional judgement and behaviour, with accepted complaints subject to an investigation and discipline system

WHAT – THE DESIGN AND IMPLEMENTATION CONSIDERATIONS

8. Member Licensing, Registration, and Regulatory Recognition

While it is common for ATs to assist and support professionally qualified accountants who offer services to the public, it is relatively rare for ATs to offer such services themselves. However, where they do so, additional licensing requirements in accordance with their national regulatory regime can be expected.

In South Africa, ATs providing tax services are required to register with the Revenue Service and ATs are also recognised by the Department of Justice for Commissioner of Oaths services. In Sri Lanka, ATs with a minimum of 10 years experience may apply for a Practising Certificate. And in the UK, AAT members may offer bookkeeping and a range of accounting services subject to licensing (see UK case study, pages 43–45 for details).

Another form of recognition is where employment is reserved for those holding [specific] qualifications. The Pakistan Institute of Public Finance Accountants (PIPFA) qualification is mandatory for promotion to certain posts in the public sector.

9. Pathways to a National Professional Accounting Qualification

While a career as an AT is an end-goal in itself, many ATs wish to continue to develop their knowledge and skills and qualify as a professional accountant. It is interesting to note, however, that the experience of the UK suggests that as the market for ATs grows, the percentage of those continuing with their study reduces.

Established pathways for ATs to become professional accountants are very much the norm. As a minimum, it would be expected that credits are available for prior learning and/or experience for ATs wishing to continue their studies. Clear qualification structures, particularly where aligned with national qualifications frameworks, benefit employers and students alike.

UNITED KINGDOM: AAT Licensed Bookkeepers and Licensed Accountants offer a range of specified services directly to the public.



PAKISTAN: The PIPFA qualification has separate streams aimed at the corporate and public sectors. The final level of the public sector stream is tailored to the specific, and different, requirements of a range of public sector employers.



HOW – THE CASE STUDIES

HOW – THE CASE STUDIES

The variety of organisational arrangements and program characteristics are illustrated in the following case studies. These demonstrate the wide range of possibilities in a wide range of economies where the accounting profession, and the qualifications offered, are at different stages of development. There is no one approach, no one size fits all, but they are all real life examples.

All the case studies are drawn from Asia Pacific with the exception of the following two:

- AT(SA) in South Africa has been selected to illustrate recently introduced changes, following ten years of experience. These changes reflect an increased focus on the establishment of a membership relationship from the moment students register, and on addressing a significant public sector skills gap.
- AAT has been selected as the most experienced of the AT member organisations, having been founded in 1980. It provides a benchmark for a mature professional organisation which is headquartered in a high income European economy but which supports international partnerships and programs in many Asia Pacific countries.

Two of the case studies are of dedicated AT member organisations that are the only full members of IFAC – AAT and AAT Sri Lanka. IFAC also has two dedicated AT member organisations as associate members – Accounting Technicians Ireland (not featured in the case studies) and PIPFA (Pakistan) which is included.

A number of other organisations featured in the case studies are members of IFAC that provide both professional accountant and AT programs.

Next Steps

For maximum impact, PAOs are encouraged to consider the approaches adopted by others within the context of their own national market and regulatory structures, taking into account their current stage of development and access to resources.

Although not specifically designed for this purpose, the CAPA Maturity Model may provide a helpful framework in considering greater involvement in the AT sector and the related impact on PAO sustainability, member value, relevance and professionalism. Some possible questions for PAOs to consider are listed in **Appendix 2**.

In considering arrangements for ATs within a jurisdiction, some PAOs may determine that the market is already well served by the status quo. Others may find a strong argument for action in which case all but the best resourced will likely need to be confident of market need and find partners, whether these be national governments and regulators, development partners or fellow PAOs, to embark on any journey of reform.

Further information regarding AT related organisations can also be found in:

- **Appendix 3** – All organisations providing AT (or equivalent) programs in Asia Pacific
- **Appendix 4** – Many PAOs based in the UK provide AT related programs. Comparative details of the programs provided by those involved with CAPA illustrate the wide variety of approaches within the one jurisdiction.



HOW – THE CASE STUDIES

CAMBODIA

The Kampuchea Institute of Certified Public Accountants & Auditors (KICPAA) is a national PAO in a lower-middle income ASEAN economy. KICPAA is an associate of IFAC and a member of the ASEAN Federation of Accountants (AFA). It works with the Association of Chartered Certified Accountants (ACCA), a global PAO which is a member of IFAC, an affiliate of CAPA and an associate of AFA. Both ACCA and KICPAA also work closely with the government's National Accounting Council.

Current Arrangements

ACCA is partnering in the first instance with CamEd, a private business school accredited by the Ministry of Education, Sport and Youth, to embed the ACCA Certified Accounting Technician (CAT) syllabus into the CamEd BA degree course in Accounting and Finance. One year of supervised practical experience and completing specific areas of performance is required to become recognised by ACCA as a technician accountant. However, in Cambodia most students go on to the full ACCA professional accountancy program.

Commentary

In launching the CAT program in Cambodia, ACCA worked hard to build awareness of its market value, working closely with school leavers, students and employers to develop a program attractive to all.

In particular:

- those signing up for the program must have the basic skills needed to complete a degree course. While ACCA does not itself mandate specific minimum entry criteria, CamEd requires high school graduation plus proficiency in English and Mathematics;
- on completion of their BA, graduates are equipped with the knowledge and understanding they need to work in the financial sector regardless of whether they wish to continue with further professional training. The coverage of computerised accounting and International Financial Reporting Standards sets them apart from the more traditional accounting graduate; and
- the program is structured to attract employers willing to sponsor students wishing to continue with the ACCA professional qualification, thus providing a clear progression path.

The outcome is that successful students are in high demand particularly by employers in public practice and financial institutions. The shortage of qualified professional accountants in Cambodia means that many employers are willing to sponsor CAT graduates to complete the ACCA professional qualification. While doing so, they will typically work in an accounting administration or support role, often at a supervisory level, in an SME, a large company, a professional services firm, or a financial shared services centre.

“ Ever since we hired a CAT graduate, we have seen the improvement in the way audit or accounting work is performed for our clients. This goes to show that CAT certification is really helpful in ensuring that the CAT graduates can do the work expected of them at their level. ”

- CEO & Partner, Grant Thornton (Cambodia) Limited

“ CAT has provided me the opportunity to get into the career path that I have always dreamed of. It has equipped me with the technical skills that I need to perform in various tasks in my current profession. CAT has also provided me with the fundamental knowledge that I need to prepare myself for future studies in accounting and finance fields. While the content of the course provides me with the technical knowledge, the process of studying the course also gives me an insight of approaches to study a professional qualification. ”

- Assurance Associate, PwC Cambodia

| BACKGROUND INFORMATION | |
|--|--|
| AWARDING BODY | ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS (ACCA) |
| LEGAL STRUCTURE | ACCA works with KICPAA which is established under Cambodian law. The Cambodian Ministry of Education, Sport and Youth has accredited CamEd (a recognised private business school) to offer the CAT qualification embedded in its BA degree course in Accounting and Finance. |
| SPONSORS | ACCA and KICPAA |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | No – a national qualifications framework does not exist in Cambodia. ACCA CAT is recognised by UK Office of Qualifications and Examinations Framework Regulation (Ofqual) at level 4 (Diploma level), the benchmark for professionally qualified ATs. |
| BENCHMARKED TO IFAC GUIDE | Yes |
| STUDENT NUMBERS | Approximately 2,000 yearly |
| MEMBERSHIP NUMBERS | Not applicable, as the program does not give rise to membership |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | CamEd requires students to have completed high school with demonstrated proficiency in English and Maths. |
| RECOGNITION OF PRIOR LEARNING | Not applicable – the minimum entry criteria applies |

*This differs from CAT in UK, see Appendix 4.

| PROGRAM CONTENT | |
|--|--|
| SYLLABUS & EXAMINATIONS | To become a CAT graduate in Cambodia*, a student must complete the following examinations: <ul style="list-style-type: none"> • Recording Financial Transactions • Management Information • Maintaining Financial Records • Managing Costs and Finances • Accountant in Business • Financial Accounting • Management Accounting • Foundations in Audit • Foundations in Financial Management |
| PRACTICAL EXPERIENCE | Not applicable in Cambodia – see below |
| PROGRAM OUTCOMES | |
| MEMBERSHIP | No – In Cambodia, most CAT graduates continue with the ACCA Professional Qualification. Membership of ACCA & KICPAA is only available to those who have completed the full ACCA professional qualification and acquired practical experience requirements. |
| ROLES | Typically, a CAT works in the following roles: <ul style="list-style-type: none"> • accounts clerk or bookkeeper role in a small-medium sized enterprise (SME) • a range of accounting and administration roles within the accounting department of a larger organisation or financial shared service centre • financial reporting and financial decision-support role and possibly in a supervisory role, within an accounting department of a larger organisation • financial supervisory or management role in accounts payables, receivables, or fixed assets accounting in financial shared service centres |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – CAT graduates can progress to ACCA professional qualification and/or Cambodia's professional qualification which is being developed. |
| OTHER QUALIFICATIONS | No |

HOW – THE CASE STUDIES

CANADA

Chartered Professional Accountants of Canada (CPA Canada) is a national PAO in a high-income North American economy. It was created in 2014 through the unification of three large and well-established national PAOs (Canadian Institute of Chartered Accountants, Certified Management Accountants of Canada and Certified General Accountants of Canada). CPA Canada is a member of IFAC and CAPA.

Current Arrangements

Discussions among the three legacy bodies prior to unification led to a commitment to develop a new program for those aspiring to a career in accountancy but who did not necessarily wish to qualify as a CPA. The Advanced Certificate in Accounting and Finance (ACAF) is designed to meet this demand for intermediate professional training.

ACAF is a flexible program that uses authentic business scenarios requiring the application of technical knowledge, and integrates ethics, communications and other soft skills, plus the use of accounting and business software applications. At the outset, the technical element of the program was delivered by both the profession and partner post-secondary institutions (PSIs), with the applied element delivered by the profession. CPA Canada is developing its partnership model so that PSIs now provide both the technical and applied elements. The final examination and award of the Certificate is offered solely through CPA Canada.

The program is available throughout Canada and internationally. The model continues to evolve as CPA Canada learns more about, and understands better, stakeholders' needs.

Commentary

The launch of a new program always requires careful thought and planning. Issues of particular importance in developing the ACAF included:

- identifying and understanding the target market;
- positioning the certificate: entry level, intermediate, or others;
- clarifying the relationship with, and differences from, other programs (e.g. accounting diplomas);
- determining any certification, designation, use of title and regulatory arrangements; and
- creating a pathway to the CPA professional qualification.

CPA Canada noted that a strong and clear communications plan is an essential factor in minimising market confusion and promoting employer understanding and demand.

| BACKGROUND INFORMATION | |
|--|---|
| AWARDING BODY | CHARTERED PROFESSIONAL ACCOUNTANTS OF CANADA (CPA Canada) |
| LEGAL STRUCTURE | Established by CICA and CMA Canada in 2013 under the Canada Not-for-Profit Corporations Act. CGA Canada integrated in 2014 thus completing the national unification of the accountancy profession. |
| SPONSORS | CPA Canada |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | No – but it is benchmarked against the International Accounting Education Standards Board – International Education Standards (IAESB IES) guidance |
| BENCHMARKED TO IFAC GUIDE | No – ACAF is an intermediate level accounting and finance skills program rather than an AT qualification. As such, it has not been benchmarked against the IFAC AT guide (though it provides a stepping stone to the CPA Canada PEP which meets IAESB requirements). |
| STUDENT NUMBERS | Not available as ACAF is a new program |
| MEMBERSHIP NUMBERS | Not applicable, as the program does not give rise to membership |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | 5 entry courses typically covered in an accounting diploma program: <ul style="list-style-type: none"> • Introductory financial accounting • Introductory management accounting • Intermediate financial reporting 1 • Intermediate financial reporting 2 • Business law • Proficiency in the use of MS Excel |

| PROGRAM ADMISSION | |
|-------------------------------|--|
| RECOGNITION OF PRIOR LEARNING | Exemptions available for entry and technical courses only. Members of other IFAC member bodies are eligible for advanced standing into the ACAF and only need to complete the following: <ul style="list-style-type: none"> • Overview of Canadian Tax and Law • Ethics and Workplace Skills • Two electives • Business Applications • ACAF National Examination |
| PROGRAM CONTENT | |
| SYLLABUS & EXAMINATIONS | <p><u>A) Technical courses:</u></p> <ol style="list-style-type: none"> 1. Advanced Financial Reporting 2. Corporate Finance 3. Audit & Assurance 4. Taxation 5. Intermediate Management Accounting 6. Information Technology <p><u>B) Applied courses:</u></p> <ol style="list-style-type: none"> 1. Ethics and Workplace Skills 2. Accounting Software Application 3. Electives (Choose 2): <ul style="list-style-type: none"> • Applied External Audit • Applied Personal & Corporate Taxation • Public Sector Financial Management Practice • Not-For-Profit and Related Topics 4. Business Applications* <p>* The ACAF National Examination evaluates understanding of material taught in the Business Applications course through a 4 hour exam which is a combination of objective-format and constructed-response questions.</p> |
| PRACTICAL EXPERIENCE | None required |

| PROGRAM OUTCOMES | |
|--|--|
| MEMBERSHIP | Not applicable, as the program does not give rise to membership |
| ROLES | ACAF graduates will normally work in 'intermediate level' positions. This may range from clerical roles to a Controller role. |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – recognised toward the undergraduate degree and specific knowledge requirements needed for admission to the CPA Professional Education Program. |
| OTHER QUALIFICATIONS | No |

HOW – THE CASE STUDIES

HONG KONG

The Hong Kong Institute of Certified Public Accountants (HKICPA) is the sole statutory licensing body for accountants in Hong Kong and a member of IFAC. HKICPA is a PAO in a high-income North-East Asian economy.

Current Arrangements

The Hong Kong Institute of Accredited Accounting Technicians Limited (HKIAAT), a wholly-owned subsidiary of the HKICPA, was incorporated in 1988 to promote the advancement of Accredited Accounting Technicians. The HKIAAT awards the Accredited Accounting Technician (AAT) qualification by professional examination and related practical experience. Successful candidates have access to membership of the HKIAAT and an accredited pathway to the HKICPA Qualification Programme (QP) through the Professional Bridging Examination (PBE). HKIAAT has a reciprocal membership agreement with the AAT and with CA ANZ.

Commentary

During the 1990s, HKIAAT saw steady growth in student numbers peaking at around 10,000 in the year 2000. Since then, changes in the education landscape and in manpower demands have had a dramatic effect, with student numbers falling to around 1,000 in 2018.

The implementation of a New Academic Structure for senior secondary education led to fundamental changes in the post-secondary education landscape, as has the substantial increase in the popularity of associate degree and top-up degree programs. The proliferation of top-up degrees in recent years has allowed sub-degree holders to pursue these academic pathways, which in turn allow successful students to opt for the HKICPA QP.

On the demand side, the structural shift of the Hong Kong economy towards higher value-added and knowledge-based activities has encouraged many SMEs, for cost reasons, either to outsource accounting services to Mainland China or to relocate their accounting staff to the Mainland.

The overall effect has been to diminish the attractiveness of HKIAAT members, with the AAT qualification now seen primarily as a stepping stone or route to the HKICPA QP for non-degree holders. As such, the market demand for the AAT qualification is low and it has a challenge to be seen as a valid and valued attainment in its own right. Nonetheless, it is estimated that there are some 100,000 people working in the accountancy sector in Hong Kong. Of these, 43,000 or less than half are CPAs.

The challenges led HKICPA to review how best to meet market needs by re-vamping its QP to incorporate the HKIAAT AAT qualification and PBE into the QP at Associate level. The HKIAAT will cease to admit members from 2020. Students who have completed the Associate Level of the new QP can continue to pursue the remaining parts to attain the CPA qualification. The accompanying table reflects these new arrangements.

| BACKGROUND INFORMATION | |
|--|--|
| AWARDING BODY | HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (HKICPA) New arrangements will replace (with effect from 2020) the Accredited Accounting Technician (AAT) qualification and Professional Bridging Examination (PBE) offered by the Hong Kong Institute of Accounting Technicians (HKIAAT). |
| LEGAL STRUCTURE | Statutory body corporate established under the Professional Accountants Ordinance 1973 |
| SPONSORS | HKICPA |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | Yes – HKICPA has obtained official recognition of the exit qualification for the Associate Level at Qualifications Framework (QF) level 5 through accreditation as an assessment agency. |
| BENCHMARKED TO IFAC GUIDE | No – the QP as a whole is benchmarked against IAESB requirements |
| STUDENT NUMBERS | Not available, as this is a new program |
| MEMBERSHIP NUMBERS | Not applicable, as the program does not give rise to membership |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | Higher diploma/associate degree in any discipline from a recognised tertiary institution, equivalent to QF level 4. |
| RECOGNITION OF PRIOR LEARNING | Candidates with a higher diploma/associate degree in any discipline can seek exemption from any or all Associate Modules 1-5. |

| PROGRAM CONTENT | |
|--|---|
| SYLLABUS & EXAMINATIONS | <p>Modules 1-5 will replace the HKIAAT AAT exams:</p> <ul style="list-style-type: none"> • Accounting • Management Accounting • Business Economics • Business Management • Information Management <p>Modules 6-10 will replace the HKIAAT PBE:</p> <ul style="list-style-type: none"> • Financial Accounting • Financial Management • Principles of Auditing • Principles of Taxation • Business and Company Law <p>A Certificate of Completion will be awarded to students on completing the Associate Level of the HKICPA QP.</p> |
| PRACTICAL EXPERIENCE | For completion of the Associate Level of the new QP, no practical experience is required. For those who want to qualify as a CPA, they must complete the whole QP and attain a total of 3 years supervised practical accounting experience. |
| PROGRAM OUTCOMES | |
| MEMBERSHIP | No title will be offered under the new arrangements. However, the current AAT title awarded by the HKIAAT will remain valid until 2029. |
| ROLES | Examples include accounts clerk and officer in SME |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – students who have completed the Associate Level can continue to pursue the Professional Level and the Capstone Level. Together with 3 years of supervised practical experience, they can attain the CPA qualification. |
| OTHER QUALIFICATIONS | No |

HOW – THE CASE STUDIES

NEW ZEALAND

Chartered Accountants Australia and New Zealand (CA ANZ) is a national PAO in Australia and New Zealand, both high-income Pacific economies. It was established in 2014 through the amalgamation of the Institute of Chartered Accountants in Australia (ICAA) and the New Zealand Institute of Chartered Accountants (NZICA). CA ANZ is a member of IFAC and CAPA and an associate member of AFA.

Current Arrangements

The designation is a legacy from one of CA ANZ's predecessor bodies, NZICA, which remains a legal entity. It is available only in New Zealand and the information in the table should be read in this context.

The AT pathway aims to provide training and credentials to candidates enabling them to understand, oversee and manage financial accounts, founded by ethics and professional standards. Currently there are three pathways to the AT designation: Academic, Vocational and Experience. The Vocational pathway consists of the AAT qualification, with separate arrangements to cover national tax and ethics.

The AT is a destination career option in its own right and offers, through the AT Experience pathway, the opportunity for non-graduates with considerable practical experience to access a CA ANZ designation and membership. Take-up suggests a shift from the standard academic route (the only option pre-2014) with approximately 40% of new AT provisional members coming through the Experience and Vocational pathways.

Commentary

There is a shortage of highly-skilled and experienced accountants in New Zealand, leading the government to place the profession on the Immediate Skills Shortage List.

As a PAO offering more than one designation, CA ANZ faced a number of challenges in re-vamping the AT program in 2014. It was essential to develop clearly articulated and distinctive value propositions for potential students, and to do so in a holistic way with a clear pathway from AT to Chartered Accountant. Costs also had to be proportionate to employer remuneration and training budgets, and online delivery and flexibility was essential, given the geographical considerations.

CPD must be relevant to all sectors of the membership to enable individuals to tailor their development to their specific employment and career needs. Currently, there is particular focus on digital transformation and the impact of technological change on accounting, business and the wider environment, including the AT sector.

Finally, the re-vamp entailed a detailed review of the designation against IAESB standards and guidance for a range of matters – entry requirements, technical content, practical experience, ethics, values and attitudes, and professional development.

| BACKGROUND INFORMATION | |
|--|---|
| AWARDING BODY | CHARTERED ACCOUNTANTS AUSTRALIA AND NEW ZEALAND (CA ANZ) |
| LEGAL STRUCTURE | Post amalgamation with the ICAA in 2014 to create CA ANZ, NZICA remains a legal entity with the duty under the New Zealand Institute of Chartered Accountants Act 1996 to control and regulate the profession in New Zealand. |
| SPONSORS | CA ANZ |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | Yes <ul style="list-style-type: none"> • AT Academic Pathway is structured within the New Zealand Qualifications Authority (NZQA) qualifications framework. • AT Vocational Pathway is awarded by the AAT. The AAT qualification is recognised in the UK by the Office of Qualifications and Examinations Framework Regulation (Ofqual) at level 4. • AT Experience Pathway is aligned with the core accounting competencies of the AAT qualification and the NZ Diploma in Business with additional study units available to fill any gaps in knowledge. |
| BENCHMARKED TO IFAC GUIDE | Yes |
| STUDENT NUMBERS | Approximately 200 join each year as AT provisional members, a category available to AT candidates while studying. |
| MEMBERSHIP NUMBERS | 1640 members made up of both AT provisional members and AT full members. Admission subject to a fit and proper person declaration. |

| PROGRAM ADMISSION | |
|-------------------------------|--|
| MINIMUM CRITERIA | <ul style="list-style-type: none"> • AT Academic and Vocational Pathway candidates must meet the entry criteria set by their approved course provider • AT Experience Pathway candidates must demonstrate a minimum of 5 years relevant and verified accounting experience |
| RECOGNITION OF PRIOR LEARNING | Available to AT Academic and Vocational Pathways candidates following a Standard Assessment. Credits are overseen by the NZQA tertiary provider. |
| PROGRAM CONTENT | |
| SYLLABUS & EXAMINATIONS | <p>AT Academic Pathway requires an approved NZQA Diploma level qualification:</p> <ul style="list-style-type: none"> • NZ Diploma in Business level 5 or level 6 Accounting Strand (1 year FT) • National Diploma in Business level 6 with specified topics or equivalent degree-level study (2 years FT) • New Zealand Diploma in Business <p>AT Vocational Pathway requires completion of the AAT Professional Diploma (level 4) excluding UK Tax. The Tax element of the qualification is obtained through a NZQA tertiary provider.</p> <p>AT Experience Pathway requires an assessment of competence to be completed.</p> <p>All three Pathways requires the completion of the online Professional Ethics module and exam.</p> |
| PRACTICAL EXPERIENCE | <ul style="list-style-type: none"> • AT Academic and Vocational Pathways: 2 years relevant supervised accounting experience • AT Experience Pathway: minimum 5 years relevant employment verified by a full member of CA ANZ plus Professional Ethics module and exam • Relevant accounting employment must include at least one of: financial accounting, auditing, general practice, management accounting, taxation, financial management, financial advice, treasury, information systems, academia, comparable sub-divisions of accounting. |

| PROGRAM OUTCOMES | |
|--|---|
| MEMBERSHIP | <ul style="list-style-type: none"> • Accounting Technician Provisional Member (as students) • Accounting Technician (AT) full member (once qualified) • Fellow Accounting Technician |
| CPD | AT full members: 60 hours CPD over 3 years, half of which must be verifiable. 4 of the 60 hours must be ethics related. Minimum requirement of 10 hours CPD yearly. |
| ETHICS | NZICA Code of Ethics applies in NZ. Those working elsewhere must comply with the IESBA Code of Ethics. |
| INVESTIGATION & DISCIPLINE | NZICA governance structures apply including the Professional Conduct Committee and Disciplinary Tribunal |
| ROLES | <ul style="list-style-type: none"> • Assistant Accountant, Tax Accountant, Accounts Clerk/Assistant • Sole Trader/Partnership/ Small/Medium Practice – Account Preparation • Audit Preparation – Junior/Senior, Treasury Assistant/Senior • Expenses Manager, Cash Management, Business Analyst • Asset Management, Payroll Clerk/Manager • Finance Manager – Junior/Senior, Cost and Management Accountant • Financial Accountant and Accounting Managers |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – to a CA designation. |
| OTHER QUALIFICATIONS | No |

HOW – THE CASE STUDIES

PAKISTAN

The Pakistan Institute of Public Finance Accountants (PIPFA) (formerly the Association of Accounting Technicians – AAT) is a national PAO in a lower-middle-income South Asian economy. It is an associate of IFAC.

The Pakistan Association of Accounting Technicians was launched in 1993 by three sponsoring bodies: the Institute of Chartered Accountants of Pakistan (ICAP), the Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan) and the Auditor-General of Pakistan (AGP). The aim was to meet the demand for middle-level staff to support professional accountants and to offer a fast-track to professional accountancy qualifications. ICAP and ICMA Pakistan are members of IFAC, CAPA and the South Asian Federation of Accountants (SAFA).

The AAT was renamed PIPFA in 2000. This was in part to reflect the fact that the majority of members worked in the public sector, and in part to demonstrate commitment to enhancing the role of ATs in handling more complex work.

Current Arrangements

The syllabus was re-vamped in 2015 in response to the changing business environment. It offers two streams, corporate and public sector. The former includes a new emphasis on audit and ethics in the final exams. The latter contains a significant number of options in the final exams, which have been designed to meet the specific and often different requirements of a number of public sector employers.

Commentary

While specific reference to ATs no longer exists, its history clearly shows PIPFA to be an AT equivalent member organisation – one which has continually evolved to ensure it meets market demands.

“ **Job Opportunities**
For middle management opportunities, the need of 2nd tier Executives is more than 4 times than the top Level Executives. In Public Sector organizations, PIPFA qualification is recognized as mandatory qualification for promotion to or confirmation on the post of BPS-17⁵. In addition to local jobs, ample job opportunities are available for PIPFA members abroad as well. ”
- PIPFA Career Plan and Syllabus

| BACKGROUND INFORMATION | |
|--|--|
| AWARDING BODY | PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS (PIPFA) |
| LEGAL STRUCTURE | Established in 1993, registered with the Securities and Exchange Commission as an Association not-for-profit under S42 of Companies Ordinance 1984. |
| SPONSORS | ICAP, ICMA Pakistan, AGP |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | No |
| BENCHMARKED TO IFAC GUIDE | Yes |
| STUDENT NUMBERS | Approximately 33,000 |
| MEMBERSHIP NUMBERS | Approximately 7,500 |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | 12 years of education (Intermediate, A Levels or equivalent) |
| RECOGNITION OF PRIOR LEARNING | Exemptions of up to 6 papers of Level 1 & 2 are available for graduates Bachelors Degree, and exemptions of up to 9 papers for Master Degree holders (Note: in the disciplines of accounting, auditing, finance, business administration and relevant areas of a university recognised by the Higher Education Commission of Pakistan) |

⁵ BPS: Basic Pay Scale (22 levels) BPS-17 is the initial officer level scale and normally designated as Assistant Director / Assistant Commissioner / Assistant Accountant General etc.

| PROGRAM CONTENT | |
|------------------------|---|
| SYLLABUS & EXAMINATION | <p>The syllabus focuses on 2 streams (Corporate & Public Sector) and is divided into four levels. The syllabus for Level 1 of both streams is the same.</p> <p>Level 1</p> <ul style="list-style-type: none"> • Quantitative methods • Basic accounting • Business English and behavioural studies <p>Level 1: Computer Based Examination – Multiple Choice Questions (MCQs), short form and scenario based MCQs</p> <p>A) Corporate Stream</p> <p>Level 2</p> <ul style="list-style-type: none"> • Business economics • Business laws or Strategy policy development • Cost accounting <p>Level 3</p> <ul style="list-style-type: none"> • Financial accounting • Taxation • Business communication and report writing <p>Level 4</p> <ul style="list-style-type: none"> • Financial reporting or Public service financial reporting • Management accounting or Business and change management • Audit, assurance and ethics <p>B) Public Sector Stream</p> <p>Level 2</p> <ul style="list-style-type: none"> • Business economics • New accounting model • Cost accounting <p>Level 3</p> <ul style="list-style-type: none"> • Business communication and report writing • Financial audit manual • Management accounting or Internal audit framework <p>Level 4</p> <ul style="list-style-type: none"> • A range of topics designed to meet the specific needs of different public sector employers <p>Level 2, 3, and 4: all written examinations based on short form, long form and scenario based questions</p> |
| PRACTICAL EXPERIENCE | Computer competency certification plus two years relevant practical experience, verified by mentors or employers. |

| PROGRAM OUTCOMES | |
|--|--|
| MEMBERSHIP | <ul style="list-style-type: none"> • Affiliate: available on completion of the exams • Member: available on completion of exams + 2 years practical experience (Associate Public Finance Accountant – APFA) • Fellow: available following 5 years as APFA (Fellow Public Finance Accountant – FPFA) |
| CPD | 120 hours or equivalent of learning units in relevant professional development activity over a three year rolling period, of which 60 hours or equivalent of learning units should be verifiable. |
| ETHICS | IESBA Code of Ethics |
| INVESTIGATION & DISCIPLINE | Complaints referred to PIPFA Regulation and Disciplinary Committee |
| ROLES | <p>Roles range from:</p> <ul style="list-style-type: none"> • Audit Trainee to Director of Internal Audit • Accounts Assistant to Chief Financial Officer (for companies other than listed companies) • Assistant in Finance to Director of Finance/Accounts |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | <p>Yes – PIPFA qualified members get exemptions which may lead to membership of the respective institute:</p> <ul style="list-style-type: none"> • ICAP: 7 papers • ICMA Pakistan: 7 papers • CIPFA: offers affiliate status • CIMA: 5 papers • ACCA: 5 papers |
| OTHER QUALIFICATIONS | Yes – may lead to membership of the Institute of Corporate Secretaries of Pakistan (ICSP): 4 papers |

HOW – THE CASE STUDIES

PHILIPPINES

The National Institute of Accounting Technicians (NIAT) is a professional AT member organisation in an ASEAN lower-middle income economy and is overseen by the Commission on Higher Education.

The national PAO, the Philippines Institute of Certified Public Accountants (PICPA), is a member of IFAC, CAPA and AFA. NIAT and PICPA do not have a formal working relationship and PICPA is overseen by the Professional Regulation Commission's Board of Accountancy.

Current Arrangements

NIAT has developed an industry partnership program. The qualification is a vocational course focusing on skills such as bookkeeping, accounts management, payroll and taxation. There are membership agreements with a number of overseas organisations.

Commentary

NIAT is a substantial organisation recognised within the overall educational framework, and has high student and member numbers. Demand for AT level skills is fuelled by the growth of BPO in the Philippines.

| BACKGROUND INFORMATION | |
|--|--|
| AWARDING BODY | NATIONAL INSTITUTE OF ACCOUNTING TECHNICIANS (NIAT) |
| LEGAL STRUCTURE | A legally incorporated membership organisation |
| SPONSORS | NIAT |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | Yes – it is based on the Commission on Higher Education (CHE) approved BSc Accounting program which provides a syllabus benchmark |
| BENCHMARKED TO IFAC GUIDE | No – are considering |
| STUDENT NUMBERS | Approximately 50,000 |
| MEMBERSHIP NUMBERS | 20,000 |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | CHE approved 5-year BSc degree in Accounting graduates are exempted from Part 1 & 2 examinations |
| RECOGNITION OF PRIOR LEARNING | Exemptions are available to those holding relevant qualifications from recognised universities and accredited providers, subject to students applying to NIAT within 10 years of obtaining these qualifications. |

| PROGRAM CONTENT | |
|-------------------------|---|
| SYLLABUS & EXAMINATIONS | <p>The CAT® (Certified Accounting Technician) Program comprises a total of nine subjects, divided into Part 1 & 2, and related examinations:</p> <p>Part 1</p> <ul style="list-style-type: none"> • Fundamentals of accounting • Financial accounting • Principles of taxation • Management accounting <p>Part 2</p> <ul style="list-style-type: none"> • Advanced accounting • Financial management • Organisational management and information systems • Auditing • Fundamentals of business law <p>Exams are also staged for:</p> <ul style="list-style-type: none"> • Level 1: Practical accounting • Level 2: Cost accounting • Level 3: Taxation and payroll accounting |
| PRACTICAL EXPERIENCE | 1 year relevant work experience |

| PROGRAM OUTCOMES | |
|--|---|
| MEMBERSHIP | <ul style="list-style-type: none"> • Affiliate Members: CAT students • Associate Members: Completed the CAT program but do not have the required work experience • Full Member: Associate Member with one year working experience • Fellow Member: Full Member with 5 years work experience |
| CPD | 40 hours yearly |
| ETHICS | NIAT Code of Ethics |
| INVESTIGATION & DISCIPLINE | NIAT disciplinary procedures |
| ROLES | Accounting Assistant/Executive, Audit Officer, Bookkeeper, Payroll Supervisor, Accounts Assistant/Executive, Tax Assistant, Accounting & Cost Section Manager, Assistant Credit & Collection Supervisor, Budget and Management Analyst, Billing & Collection Staff, Accounting Reconciliation Analyst, Business Unit Accountant. |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – full members of NIAT can become full members of Association of Accounting Technician (AAT – MAAT) |
| OTHER QUALIFICATIONS | Yes – there are specific pathways given to NIAT members to become members of international organisations such as the Institute of Certified Bookkeepers UK (ICB), Institute of Accounting Technicians (IAT) Canada and Institute of Certified Management Accountants (ICMA) Australia. |

HOW – THE CASE STUDIES

SINGAPORE

The Institute of Singapore Chartered Accountants (ISCA) is a national PAO in a high-income ASEAN economy. It is a member of IFAC and AFA.

Current Arrangements

ISCA works in partnership with the AAT to offer the ISCA-AAT qualification in Singapore. The AAT is a member of IFAC, an affiliate of CAPA and an associate member of AFA. While based on the AAT program, some modules have been developed by ISCA to meet the specific requirements of the Singapore market and the national PAO.

Commentary

The ISCA-AAT partnership supports the Singapore government's vision to develop Singapore as a global accountancy hub. In particular, it supports the SkillsFuture initiative which aims to offer opportunities to all regardless of their start in life. The qualification gives students (whether at the start of their careers or formalising their earlier work experience) practical finance skills and offers a non-graduate route to ISCA membership.

| BACKGROUND INFORMATION | |
|--|---|
| AWARDING BODY | INSTITUTE OF SINGAPORE CHARTERED ACCOUNTANTS (ISCA) |
| LEGAL STRUCTURE | ISCA is registered under the Societies Act. |
| SPONSORS | AAT and ISCA |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | Yes – as this is a partnership involving both ISCA & AAT, the qualification is linked to the National Occupational Standards developed by employers and regulated by The Office of Qualifications and Examinations Regulation (Ofqual), and the 3 ISCA modules are developed based on the Singapore Competency Framework (Affiliate Level). |
| BENCHMARKED TO IFAC GUIDE | Yes |
| STUDENT NUMBERS | Not available, as this is a new program |
| MEMBERSHIP NUMBERS | Not available, as this is a new program |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | <ul style="list-style-type: none">• Foundation level: 3 GCE 'O' Levels including English and Maths• Advanced level: 2 GCE 'A' Levels or Higher National Institute of Technical Education (NITEC) Certificate in Accounting |
| RECOGNITION OF PRIOR LEARNING | Exemptions are awarded based on the relevancy of the student's prior course of studies. Exemptions are available for a maximum of 50% of the modules for each level of the course. |

| PROGRAM CONTENT | |
|-------------------------|---|
| SYLLABUS & EXAMINATIONS | <p>4 Foundation Modules:</p> <ul style="list-style-type: none"> • Bookkeeping Transactions • Bookkeeping Controls • Elements of Costing • Work effectively in Finance <p>5 Advanced Modules</p> <ul style="list-style-type: none"> • Advanced Bookkeeping • Final Accounts Preparation • Management Accounting: Costing • Principles of Singapore Law and Tax • IT for Accountants <p>7 Professional Modules</p> <ul style="list-style-type: none"> • External auditing • Ethics for Accounting • Cash and Treasury Management OR • Credit Management • Financial Statements of Limited Companies • Management Accounting: Budgeting • Management Accounting: Decision and Control • Accounting Systems and Controls <p>Each module assessment is computer-based. All assessments are offered in partnership with AAT, except for Principles of Singapore Law and Tax, Information Technology for Accountants and Ethics for Accountants, all of which are recognised by AAT.</p> |
| PRACTICAL EXPERIENCE | Minimum 1-year verified by employer with the Practical Experience Record form |

| PROGRAM OUTCOMES | |
|--|--|
| MEMBERSHIP | <ul style="list-style-type: none"> • Accredited Accounting Technician (Singapore) designation • ISCA Affiliate member |
| CPD | Affiliate (ISCA) must meet the applicable Continuing and Professional Education (CPE) requirements of at least 30 CPE hours over a rolling 3-year period, of which 15 hours must be verifiable. A minimum of 5 verifiable hours, including 2 verifiable hours of ethics, must be completed each year. |
| ETHICS | Affiliate (ISCA) must agree to abide by the ISCA Code of Professional Conduct and Ethics (the Code) and all professional and ethical pronouncements issued by ISCA. |
| INVESTIGATION & DISCIPLINE | ISCA takes any breach of its Code, rules and professional standards seriously and has in place an investigation and disciplinary process to deal with complaints against its members. |
| ROLES | <ul style="list-style-type: none"> • Foundation level: Accounts Assistant, Bookkeeper, Payroll Officer, Tax Assistant, Purchase/Sales Ledger Assistant. • Advanced level: Accounts Payable Assistant/Executive, Audit Officer, Bookkeeper, Payroll Supervisor, Accounts Assistant/Executive, Tax Assistant. • Professional level: Senior Accounts Executive, Cost Accountant, Financial Analyst, Payroll Manager. |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – upon completion of the ISCA-AAT qualification students are offered a fast track route to qualify as a chartered accountant. |
| OTHER QUALIFICATIONS | No |

HOW – THE CASE STUDIES

SOUTH AFRICA

The South African Institute of Chartered Accountants (SAICA) is a national PAO in an upper-middle income economy in Sub Saharan Africa. It is a member of IFAC and the Pan African Federation of Accountants (PAFA).

Accounting Technicians, South Africa (AT(SA)) was established in 2008 through a joint venture between SAICA and the AAT – the latter is no longer involved with that arrangement ending in 2017. AT(SA) continues to work in association with SAICA and is dedicated to the education, development, regulation and support of ATs.

Current Arrangements

The AT(SA) mission is:

“to make accounting, finance and business skills accessible to everyone and raise the standard of learning and development in finance and accounting.”

It offers three levels of practical based qualifications, the most senior of which is at AT level. The program is open to the employed and unemployed, the skilled and unskilled, studying fulltime or parttime, and requiring only minimal entry criteria. The content is customised by sector:

- Corporate – Accounting Qualifications (AQ)
- Local Government – Local Government Accounting Qualification (LQAQ)
- Public Sector – Public Sector Accounting Qualifications (PSAQ)

Commentary

Provision of skilled qualified accounting staff for the public sector is seen as particularly critical in South Africa as a way of building essential public sector financial capacity, with both Public Sector and Local Government streams.

Access to project/donor funding has been hugely important in providing investment to develop the designation and build brand awareness. Longer-term sustainability relies on growing a solid membership base. To encourage this, students begin their relationship with AT(SA) as Red members on registering for the AT(SA) certificate. Five levels of membership exist.

| BACKGROUND INFORMATION | |
|--|--|
| AWARDING BODY | ACCOUNTING TECHNICIANS SOUTH AFRICA (AT(SA)) |
| LEGAL STRUCTURE | An associate of South Africa Institute of Chartered Accountants (SAICA) |
| SPONSORS | AT(SA) launched in 2008 as a joint venture between SAICA and the AAT. The latter withdrew in 2017. |
| LICENSED MEMBERS | ATs providing tax services to the public are required to register with the South African Revenue Services (SARS) |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | Yes – accredited by the South African Qualifications Authority (SAQA) on the National Qualifications Framework (NQF). <ul style="list-style-type: none"> • AT(SA) is a recognised controlling body for tax practitioners • The Public Sector qualifications are aligned with the National Treasury Technical Dictionary of Competencies. • ‘Accounting technician’ is a registered title on the Occupational Framework. • The qualification is recognised by the Department of Justice for Commissioner of Oath Services |
| BENCHMARKED TO IFAC GUIDE | Yes |
| STUDENT NUMBERS | Approximately 1,500 |
| MEMBERSHIP NUMBERS | Approximately 1,800 |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | School leaver certificate with at least 50% in both English and Mathematics |
| RECOGNITION OF PRIOR LEARNING | Applicants are assessed on the competency level and duration of performing specific finance tasks in the work environment. The AT(SA) couples this experience with a finance related qualification to place the applicant on a suitable membership level. |

| PROGRAM CONTENT | |
|----------------------------|---|
| SYLLABUS & EXAMINATIONS | <p>Customised qualifications cater for 3 different sectors – corporate, public sector and local government. Each qualification comprises 3 NQF levels.</p> <p>Students progress through the levels with a combination of examinations and practical experience.</p> |
| PRACTICAL EXPERIENCE | Working experience differs between all the different categories of membership (see below) and each category also requires different levels of relevant working experience. |
| PROGRAM OUTCOMES | |
| MEMBERSHIP | <ul style="list-style-type: none"> • ‘Red’ member: students who registered for the AT(SA) certificate • ‘Silver’ member: completed NQF level 3 AT(SA) certificate + 1 year practical experience • ‘Gold’ member: completed NQF level 4 AT (SA) certificate + 2 years practical experience • ‘Platinum’ member: completed NQF level 5 AT(SA) certificate + 2 years practical experience at senior level – MAT (Member ATSA) • ‘Diamond’ member: minimum 5 years as Platinum member + 5 years of experience at senior level - FMAT (Fellow Member ATSA) <p>AT(SA) also has a specific Public Sector designation – PSAT(SA), at Platinum level.</p> |
| CPD | 30 hours yearly, 18 of which must be verified |
| ETHICS | SAICA Code of Conduct and Ethics (the Code) |
| INVESTIGATION & DISCIPLINE | All complaints are investigated by SAICA and subject to disciplinary action in accordance with the Code. The SAICA disciplinary committee administers the disciplinary process. |
| ROLES | Accounts clerk, Wages clerk, Accounts assistant, Sales ledger clerk, Tax assistant, Bookkeeper, Finance and accounting manager, Accounts manager, Finance management, Management accounting, Tax advisor, Tax practitioner |

| PATHWAYS | |
|--|---|
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – NQF level 5 graduates are exempt from year 1 of Chartered Institute of Management Accounting (CIMA) qualification. Through the SAICA-CIMA Cross-Membership Agreement, students are exempted from the Certificate in the Theory of Accounting (CTA) program and proceed to the Initial Test of Competence (ITC) exam (on condition that all requirements are met). |
| OTHER QUALIFICATIONS | No |

HOW – THE CASE STUDIES

SRI LANKA

The Association of Accounting Technicians of Sri Lanka (AATSL) is a national professional accounting technician member organisation in a South Asian lower-middle-income country. It is a member of IFAC and CAPA.

Current Arrangements

The AT qualification is open to those with school leaver academic qualifications or relevant work experience and combines examinations with practical experience. Take up is high with 30,000 students and approximately 5,500 members.

Commentary

The AT qualification is highly sought after by SMEs at a senior level (e.g. head of finance) and by the corporate sector at a middle management level (e.g. assistant to the CFO). To ensure that the AT qualification continues to meet market needs, AATSL has established the AAT Business School which offers members the opportunity for further study to develop their skills. The AT qualification also provides a pathway to a range of professional qualifications.

“ Vision: To be the most recognised qualification for middle level accounting. ”
- Association of Accounting Technicians of Sri Lanka

| BACKGROUND INFORMATION | |
|--|--|
| AWARDING BODY | ASSOCIATION OF ACCOUNTING TECHNICIANS OF SRI LANKA (AATSL) |
| LEGAL STRUCTURE | Registered under Companies Act 2007 as a company limited by guarantee; awaiting statutory recognition. |
| SPONSORS | CA Sri Lanka initiated establishment of AATSL in 1987 |
| LICENSED MEMBERS | Fellow Member of the Association of Accounting Technicians (FMAATs) with more than 10 years experience and working as a sole practitioner or in partnership in a business with a maximum revenue of 100m SLR may apply to AATSL for a Certificate to Practice. |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | Yes – benchmarked against the National Vocational Qualifications (NVQ framework (total of 7 levels). AA 1 and AA 2 are equal to NVQ III and NVQ IV. AATSL are in the process of obtaining the NVQ V for AA 3. Higher Diploma conducted by business school obtained NVQ VI. |
| BENCHMARKED TO IFAC GUIDE | Yes, reviewed on a regular basis |
| STUDENT NUMBERS | 30,000 |
| MEMBERSHIP NUMBERS | 5,450 |

| PROGRAM ADMISSION | |
|-------------------------------|---|
| MINIMUM CRITERIA | GCE 'O' and/or 'A' Levels or 5 years relevant practical work experience in a recognised organisation |
| RECOGNITION OF PRIOR LEARNING | Available to those holding relevant diplomas or degrees (e.g. National Diploma in Accounting Technicians, exams in subjects such as business, management, accountancy, IT or banking) |
| PROGRAM CONTENT | |
| SYLLABUS & EXAMINATIONS | <p>AA1 Accounting Assistant Level:</p> <ul style="list-style-type: none"> • Financial Accounting Basics • Quantitative Methods for Business • Economics for Business and Accounting • Business Operations and Management <p>AA2 Accounting Analyst Level:</p> <ul style="list-style-type: none"> • Advanced Financial Accounting • Cost Accounting and Reporting • Business Law and Ethics • Business Management and Strategy <p>AA3 Accounting Associate Level:</p> <ul style="list-style-type: none"> • Financial Accounting Reporting • Management Accounting and Finance • Processes, Controls and Audit • Corporate and Personal Taxation <p>Talent (Skills) Capstone:</p> <ul style="list-style-type: none"> • Effective Communication Skills • IT Skills |
| PRACTICAL EXPERIENCE | 1 year practical experience in an approved organisation. Monitored experience is not mandatory. |

| PROGRAM OUTCOMES | |
|--|---|
| MEMBERSHIP | <p>A student who completes all 3 levels and 2 subjects in the Talent capstone is called a Passed Finalist of the Association. Once the Passed Finalist (PF) completes 1 year practical training / experience + "Peoples Leadership" Workshop, the PF will be admitted to membership.</p> <ul style="list-style-type: none"> • MAAT: Member of the AATSL • SAT: Senior Accounting Technician (MAAT + 5 years experience + CPD) • FMAAT: Fellow (SAT + further 5 years experience + CPD) |
| CPD | AATSL CPD Scheme 2015 aligned with IAESB IES7 |
| ETHICS | AATSL Code of Ethics 2016 based on the IESBA Code |
| INVESTIGATION & DISCIPLINE | AATSL Investigation and Disciplinary Regulations 2017 aligned with IFAC membership obligations (SMO6) |
| ROLES | Most of the AAT Members are employed by SME's in the capacity of Accountants. In Public Limited Companies they are designated as Assistant Accountants. However, there are AAT qualified members with other academic qualifications working in higher positions. |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | <p>Yes – exemptions are offered by:</p> <ul style="list-style-type: none"> • CA Sri Lanka • Institute of Certified Management Accountants of Sri Lanka (CMASL) • CIMA • ACCA |
| OTHER QUALIFICATIONS | AAT Passed finalists are eligible to study for the AAT Business School Higher National Diploma in Accounting and Finance, which in turn offers a pathway to a Bachelor degree. Exemptions and registrations are offered by several universities and other institutions (local and foreign). |

HOW – THE CASE STUDIES

UNITED KINGDOM

The Association of Accounting Technicians (AAT) is an international professional organisation for accounting technicians, headquartered in a high-income European economy. AAT is a member of IFAC, an affiliate of CAPA and an associate member of AFA.

It was established in 1980 by the five sponsoring UK-based PAOs: ACCA, CIMA, CIPFA, ICAEW, ICAS. All of these PAOs offer exemptions to AAT.

In addition to the UK, AAT has significant international reach with partnerships in Botswana, Hong Kong, Malaysia, New Zealand, Singapore and South Africa, and programs in Mainland Europe, Ireland, the Caribbean, Middle East, Africa, South Asia and South East Asia.

Current Arrangements

Highly experienced and operating in both emerging and mature economies with a high demand for finance and accounting skills, the AAT offers a qualification built on 4 levels, each of which prepares students for specific roles.⁶

Some AT members are permitted to offer specified services directly to the public. Details of the licensing arrangements, which apply only to services offered in the UK, are summarised in the accompanying table.

Commentary

According to AAT, qualified ATs earn up to 58% more than those without a qualification undertaking similar work and more than one-third of job advertisements for AT sector roles will specify the AAT qualification as a requirement. The main reason for this is that employers are looking for practical skills acquired within a finance or accounting team rather than for graduates with largely theoretical knowledge.

The status of AATs in the UK market is reflected by the fact that only around a third of those qualifying choose to continue to more senior professional accountancy qualifications.

| BACKGROUND INFORMATION | |
|--|--|
| AWARDING BODY | ASSOCIATION OF ACCOUNTING TECHNICIANS (AAT) |
| LEGAL STRUCTURE | AAT is a company limited by guarantee and a registered charity |
| SPONSORS | Established in 1980 by UK PAOs (ACCA, CIMA, CIPFA, ICAEW and ICAS). Sponsorship ceased in 2017 but the PAOs continue to offer qualified ATs a pathway to their qualifications. |
| LICENSED MEMBERS | <ul style="list-style-type: none"> • There are 2 categories of licencing in the UK: 'AAT Licenced Bookkeeper' and 'AAT Licenced Accountant'. • Both categories must comply with AAT requirements including maintaining adequate Public Indemnity Insurance, maintaining continuity cover, CPD compliance, money laundering legislation compliance and annual renewal. They may only undertake work for which they are licensed. • The key difference between the 2 categories is the scope of services which they are licensed to offer – it is wider for an AAT Licenced Accountant • 4,500 members are licensed to run their own practices |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | Yes – qualifications linked to National Occupational Standards developed by employers and regulated by The Office of Qualifications and Examinations Regulation (Ofqual). |
| BENCHMARKED TO IFAC GUIDE | Yes, reviewed on a regular basis |
| STUDENT NUMBERS | 80,000 (75,000 UK; 5,000 outside UK) |
| MEMBERSHIP NUMBERS | 50,000 (48,000 UK; 2,000 outside UK) |
| PROGRAM ADMISSION | |
| MINIMUM CRITERIA | Open to all but based on skills and experience. Employers and/or training providers may set minimum requirements for English and Mathematics. |
| RECOGNITION OF PRIOR LEARNING | Exemptions available based on skills and experience, plus previous relevant qualifications (e.g. bookkeeping). |

⁶ Details on page 19

| PROGRAM CONTENT | |
|-------------------------|--|
| SYLLABUS & EXAMINATIONS | <p>A) Foundation Certificate in Accounting Level 2: contains 5 computer-based assessments</p> <ul style="list-style-type: none"> • Bookkeeping Transactions • Bookkeeping Controls • Elements of Costing • Using Accounting Software • Work Effectively in Finance • Foundation Certificate Synoptic Assessment <p>B) Advanced Diploma in Accounting Level 3: contains 5 computer-based assessments</p> <ul style="list-style-type: none"> • Advanced Bookkeeping • Final Accounts Preparation • Management Accounting: Costing • Indirect Tax • Ethics for Accountants • Spreadsheets for Accounting • Advanced Diploma Synoptic Assessment <p>C) Professional Diploma in Accounting Level 4 (AT level): contains 6 computer-based assessments</p> <ul style="list-style-type: none"> • Management Accounting: Budgeting • Management Accounting: Decision and Control • Financial Statements of Limited Companies • Accounting Systems and Controls • Professional Diploma Synoptic Assessment • Optional units – select two of the following: <ul style="list-style-type: none"> - Business tax - Personal tax - External auditing - Cash and Treasury Management - Credit Management |
| PRACTICAL EXPERIENCE | 6 months verified experience of a technical competency (chosen from audit, cost accounting, credit control, financial accounting, management accounting, payroll, taxation, and teaching). |

| PROGRAM OUTCOMES | |
|----------------------------|---|
| MEMBERSHIP | Available to those completing the Professional Diploma in Accounting (level 4): <ul style="list-style-type: none"> • MAAT (member) • FMAAT (fellow) • AAT Licensed Accountant or Bookkeeper |
| CPD | <p>A <i>member</i> is personally responsible for their learning and development and must use the CPD cycle annually to:</p> <ul style="list-style-type: none"> • assess their learning and development needs and goals; • plan appropriate activities that will meet these needs and goals; • action the plan; and afterwards • evaluate whether the activities undertaken really did fully meet the requirements, and whether any further or subsequent learning needs to take place. <p>A <i>member</i> must maintain adequate records of the conclusions that they have reached whilst using the CPD cycle, and of subsequent learning that they do. Additional requirements apply for licensed members.</p> |
| ETHICS | AAT Code of Professional Ethics based on the IESBA Code sets out 5 fundamental principles with which all AAT students and members (student, affiliate, associate, full, fellow, licensed) must comply. |
| INVESTIGATION & DISCIPLINE | <p>Members are expected to:</p> <ul style="list-style-type: none"> • behave professionally and ethically • comply with AAT regulations and relevant legislation • keep skills and competence up to date <p>All complaints and misconduct allegations investigated with AAT licensed offering services to the public subject to additional monitoring.</p> |
| ROLES | Refer to table on page 19: Qualification Levels and Roles |

HOW – THE CASE STUDIES

| PATHWAYS | |
|--|--|
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – Professional Diploma in Accounting (level 4) holders exempt from the first year of UK PAO qualifications (ACCA, CIMA, CIPFA, ICAEW and ICAS). Credits for prior learning may also be available in other jurisdictions. |
| OTHER QUALIFICATIONS | No |

| AAT LICENCES IN THE UK | SERVICES TO THE PUBLIC |
|-------------------------|--|
| AAT Licensed Bookkeeper | <ul style="list-style-type: none"> • Bookkeeping • Financial accountants and accounts for sole traders and partnerships • Value added tax (VAT) • Computerised accountancy systems |
| AAT Licensed Accountant | <p>As above plus:</p> <ul style="list-style-type: none"> • Financial accounts and accounts preparation for statutory purposes • Budgeting and forecasting • Management accounting • Payroll • Personal income tax • Business income tax • Inheritance tax • Capital gains tax • Corporation tax • Limited assurance engagement • Independent examination • Company secretarial services • Internal audit • Forensic accounting |

“ You will cover higher accounting tasks including drafting financial statements, managing budgets and evaluating financial performance, as well as optional specialist units including business tax, personal tax, external auditing, credit management, and cash and treasury management. ”

- Association of Accounting Technicians

“ To become an accounting technician you’ll need excellent commercial sense, an interest in business and finance, and confidence when handling numerical data. ”

- Graduate Prospects Ltd

“ AAT qualifications are perfect for training our staff, due to the broad understanding of accounting principles it instils, and because of the value and recognition it has in the marketplace. ”

- Senior Manager, KPMG

FIJI

The Fiji Institute of Accountants (FIA) is a national PAO in an upper middle-income Pacific economy. FIA is a member of IFAC and CAPA.

Current Arrangements

Affiliate Accountants are regarded as the equivalent of ATs and form the first tier of FIA membership with a clear route to full membership as a professional Chartered Accountant.

Commentary

Economic growth and diversification is expected to continue, generating increased confidence in the national business environment and stability of the financial system. FIA's Strategic Plan includes raising its profile with government and businesses and targeting finance-related roles which requires a broad range of competencies and skills.⁷

Legislation is awaited to give statutory recognition of Affiliate Accountants as Accounting Technicians. Once implemented, FIA aims to promote AT membership as a means of driving quality in the accounting sector through member support and membership obligations.

| BACKGROUND INFORMATION | |
|--|---|
| AWARDING BODY | FIJI INSTITUTE OF ACCOUNTANTS (FIA) |
| LEGAL STRUCTURE | Established in 1972 under Fiji Institute of Accountants Act 1971 |
| SPONSORS | FIA |
| LICENSED MEMBERS | No |
| INTEGRATION INTO NATIONAL QUALIFICATIONS FRAMEWORK | No |
| BENCHMARKED TO IFAC GUIDE | Under review |
| STUDENT NUMBERS | Not applicable |
| MEMBERSHIP NUMBERS | 145 Affiliate Accountants (compared with total FIA membership of 785) |

| PROGRAM ADMISSION | |
|--|---|
| MINIMUM CRITERIA | Completed exams at Accounting Diploma level: <ul style="list-style-type: none"> • Accounting and financial management, parts 1 and 2 • Macro or micro economics • Financial mathematics • Law of commerce • Information systems • Managerial accounting • Financial accounting |
| RECOGNITION OF PRIOR LEARNING | Not applicable – the minimum entry criteria applies |
| PROGRAM CONTENT | |
| SYLLABUS & EXAMINATIONS | Not applicable |
| PRACTICAL EXPERIENCE | Not applicable |
| PROGRAM OUTCOMES | |
| MEMBERSHIP | Affiliate Accountant of the FIA |
| CPD | 120 hours over 3 years |
| ETHICS | Comply with the IFAC Code of Ethics |
| INVESTIGATION & ESCIPLINE | Process under review |
| ROLES | Accounts Clerk, Accounts Officers, Assistant Accountants; Accountants, Management Accountants, Financial Accountants, Tax Accountants, Business Analyst; Auditors; Manager Finance, Financial Controllers; Chief Financial Officers, Director Finance, Partners in Auditing Firms. |
| PATHWAYS | |
| PROFESSIONAL ACCOUNTING QUALIFICATIONS | Yes – Affiliate Accountants can progress to seek admission as Provisional Members or Chartered Accountants (subject to satisfying both the academic units and practical experience requirements). |
| OTHER QUALIFICATIONS | No |

⁷ <http://www.fia.org.fj/The-Institute/Objectives>

APPENDICES

APPENDIX 1: THE 2016 CAPA AT SURVEY

Introduction

CAPA's interest in ATs goes back thirty years with the issue of training materials followed by competency guidelines.⁸ Two AT member organisations (AATSL and AAT) are now active members and many more CAPA member PAOs offer accounting technician or similar qualifications.

Purpose

CAPA surveyed members regarding ATs in 2010, and this was followed by the 2016 survey designed to:

- collect data on the AT sector in Asia Pacific;
- understand the role of ATs and the levels of market and/or regulatory recognition;
- determine the level of adherence to the IFAC Good Practice Guide; and
- consider the potential value to PAOs of engaging with the AT sector.

Questions

The survey asked PAOs whether ATs are separately identified or recognised in their country and where the answer was yes, went on to explore:

- the relationship between any AT member organisation and the PAO(s);
- numbers of ATs involved;
- the awareness of, and benchmarking against, the IFAC Guide with a particular focus on:
 - entry requirements
 - CPD requirements
 - examinations and assessments
 - ethics requirements
 - practical experience requirements
 - investigation and disciplinary systems; and
- pathways towards professional accountancy qualifications.

Methodology

The survey was conducted with the assistance of the ASEAN Federation of Accountants (AFA) to encourage as full a coverage as possible throughout Asia Pacific. A questionnaire was completed, with some PAOs then identified for follow up interviews. These were conducted by the AAT with further support from CAPA.

Respondents

PAOs and AT member organisations from 25 jurisdictions responded.

Separate Identification and Recognition of the AT Sector

The initial question "Are ATs separately identified or recognised in your country?" raised some immediate challenges. Whilst a significant majority confirmed that they already had ATs (in one form or another) or were considering their introduction, the responses ('yes' or 'no') were often qualified, as shown in the accompanying table. Nonetheless, the responses and subsequent discussions confirmed the high level of interest being shown by the profession in Asia Pacific.

| YES | NO |
|--|--|
| AUSTRALIA – but under review | BRUNEI DARUSSALAM – but use ACCA CAT |
| BANGLADESH – but branded as general accountants | CAMBODIA – but use ACCA CAT |
| CHINA – but no connection with the PAO | CANADA – but offer intermediate level ACAF certificate |
| HONG KONG – but closing programme | FII – but awaiting recognition under statute |
| JAPAN – but no connection with the PAO | KOREA, REPUBLIC OF – but working on it |
| MALAYSIA – but under review | LAOS – but there is statutory provision |
| MONGOLIA – but in practice AT sector is unqualified | VIETNAM – but use ACCA CAT |
| MYANMAR | UNITED STATES OF AMERICA |
| NEPAL | |
| NEW ZEALAND | |
| PAKISTAN – but branded as public finance accountants | |
| PHILIPPINES – but no connection with the PAO | |
| SAMOA – but no AT level qualification | |
| SINGAPORE | |
| SOLOMON ISLANDS – but no AT level qualification | |
| SRI LANKA | |
| UNITED KINGDOM | |

⁸ now withdrawn

Numbers of ATs

Collecting numerical data also proved complicated, with several respondents submitting estimates rather than actuals, particularly for countries where provision is not yet highly developed. What the responses did reflect in common, however, is the small number of ATs relative to the number of qualified professional accountants. Given the junior level and more routine nature of AT services, this imbalance is perhaps the opposite of what might have been expected or hoped for, and raises some questions:

- Are unqualified staff providing AT services?
- Are professional accountancy students providing AT services?
- Are professionally qualified accountants providing AT services rather than focusing on more strategic senior level work?

More research would be needed to draw firm conclusions but the initial data suggested there may be a large number of unqualified staff or professional accountancy students working in the sector or, alternatively, that more highly qualified staff are being used ineffectively.

Developments outside the accountancy profession

The survey also showed two significant outliers in China and Japan, countries where a flourishing AT/bookkeeping sector has been established and developed independently of the national PAOs.

China records 5.46 million people as holding the Qualification of Accounting Professional Technicians which is obtained through the National Assessment and Certification Centre of the Ministry of Finance. This compares with around 250,000 individuals holding the Chinese Institute of Certified Public Accountants (CICPA) qualification.

Japan records 70,000 people as holding bookkeeping credentials offered by the Japan Chamber of Commerce and Industry (JCCI). This compares with around 36,000 individuals holding the Japanese Institute of Certified Public Accountants (JICPA) qualification. It is noteworthy too that the JCCI qualification is valued by companies regardless of whether their employees are working in, or intend to work in, accounting and finance.

Benchmarking against the IFAC guide

While a minority of survey respondents reported that they had already benchmarked the national AT qualification against the IFAC guide, the remainder expressed interest, where applicable, in doing so.

Entry, examinations, practical experience, CPD, ethics, investigation and discipline

Benchmarking is a start but not necessarily the same as adopting and implementing guidelines in practice. This may explain the wide range of responses to the questions about entry criteria, examinations, practical experience and assessment requirements, CPD requirements, ethics requirements, and investigation and disciplinary systems.

Pathways to professional accountancy qualifications

In many countries an AT level qualification does not offer a designation or membership of a professional organisation. However, it is standard practice for PAOs to offer ATs wishing to continue their studies some exemptions and credits for prior learning and experience. In some cases, there are fully fledged pathways to professional accountancy qualifications.

Commentary

The results reflected a disparate and sometimes confused picture, with many variations arising from differences in levels of economic development, in professional cultures, and in legal and regulatory structures. They did not show any common understanding of who ATs are or of what they do.

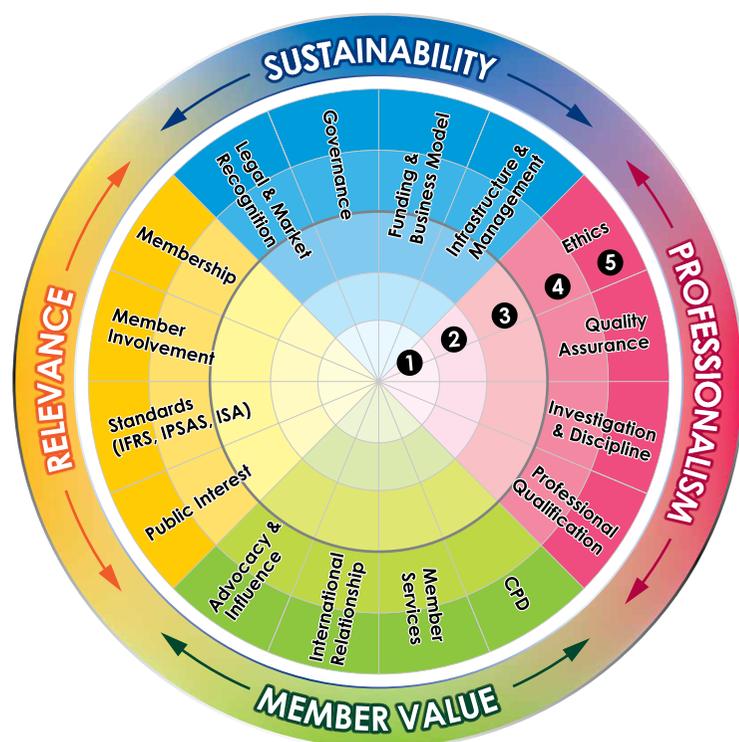
Nor was there a common approach as to where responsibility might lie for the development of the AT sector and how it might be structured. In fact some CAPA members, in reflecting on the specific circumstances within their markets, saw no need at all for a qualifications structure to accommodate ATs. In other countries, AT qualifications were already integrated into national qualifications frameworks and/or PAOs professional qualifications. And in others, particularly developing countries, responses indicated demand for qualified ATs but little or no resource to meet these needs.

This publication, supported by subsequent in-depth investigation by way of case studies, arose from these initial survey findings.

APPENDIX 2: SOME QUESTIONS FOR PAOS TO CONSIDER

The CAPA Maturity Model was developed as a tool to assist PAOs in assessing their growth and development goals. The framework it provides in considering a PAO's **sustainability, relevance, member value** and **professionalism** may assist PAOs in determining whether and how they might support the AT sector. A list of issues for consideration is given below. While no means exhaustive, it provides a useful starting point.

PAOs may also find it helpful to consult the Maturity Model Guidance Series particularly the publications relating to Governance, CPD and Investigation & Discipline.



Sustainability – Legal and Market Recognition

- Is there a qualified AT (or equivalent) sector?

| | |
|---------|---|
| If yes: | <ul style="list-style-type: none"> • Are ATs recognised by national government and regulators? What is their attitude? • Are ATs valued by employers? What is their attitude? • Will engagement with a national PAO be welcomed? |
| If no: | <ul style="list-style-type: none"> • Who is providing AT level services? Is provider engaged with the accountancy profession? • Is there a need to improve quality and could this be done by using the PAO model of qualification, designation and membership? • Does current provision meet market demand? • Does current provision include practical experience requirements? • Will the regulatory authorities and employers welcome and support the development of a qualified sector? |

Sustainability – Funding and Business Model

- How will a cohort of AT students and members impact the funding and business model?
- Do ATs need a separate structure or can they be incorporated into current frameworks?
- What is the likely impact on member numbers?
- What is the likely impact on demand for paid services e.g. CPD courses?
- Should AT programs be offered in national languages and/or in English?

Relevance

- Will current members support broadening the membership to include ATs or will they see this as diluting the PAO brand?
- How will this affect the PAO's market positioning?
- Will change affect how the PAO is seen as working in the public interest?

Member Value

- Will the range of member services need to change?
- Will AT level members need more or different support?
- How will broadening the membership affect the PAO's effectiveness as advocate and influencer?

Professionalism

- Will the existing structures of professional qualifications, CPD requirements, ethical codes, and investigation and discipline systems need strengthening?
- Is there an accredited pathway for ATs to continue with professional accountancy studies should they wish to do so? Will this undermine or enhance the status of the AT in their own right?

APPENDIX 3: ORGANISATIONS PROVIDING AT (OR SIMILAR) PROGRAMS IN ASIA PACIFIC

| COUNTRY | ACCOUNTING ORGANISATION |
|--------------------|---|
| Australia | Association of Accounting Technicians Australia (AAT Australia) ⁹ |
| Bangladesh | Institute of Certified General Accountants of Bangladesh (CGA Bangladesh) formerly Association of Accounting Technicians of Bangladesh (AATBD) |
| Brunei Darussalam | Brunei Darussalam Institute of Certified Public Accountants (BICPA) supports ACCA Certified Accounting Technician (CAT) program |
| Cambodia | Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA) and government National Accounting Council support ACCA CAT program |
| Canada | CPA Canada offers Advanced Certificate in Accounting and Finance (ACAF) |
| China | National Accountant Assessment & Certificate Centre, Ministry of Finance offers Qualification of Accounting Professional Technicians |
| Fiji | Fiji Institute of Accountants (FIA) admits AT equivalent into membership |
| Hong Kong | Hong Kong Institute of Certified Public Accountants (HKICPA) QP program at Associate level ¹⁰ |
| India | Institute of Chartered Accountants of India (ICAI) – intention to replace a previous Accounting Technician course with a Business Accounting Associate course. Institute of Cost Accountants of India (ICAI) – Certificate in Accounting Technicians (CAT), a one year course. |
| Indonesia | Not known |
| Japan | Japan Chamber of Commerce and Industry (JCCI) offers four levels of bookkeeping and business accounting credentials |
| DPR Korea | Not known |
| Korea, Republic of | Korean Institute of Certified Public Accountants (KICPA) is developing AT modules and examinations |

| COUNTRY | ACCOUNTING ORGANISATION |
|--------------------------|---|
| Lao, PDR | Accounting law identifies requirements for ATs but Ministry of Finance is yet to assign responsibility for implementation |
| Malaysia | Malaysian Association of Accounting Administrators (MAAT) ¹¹ |
| Mongolia | Mongolian Institute of Certified Public Accountants (MonICPA) planning to introduce competence levels for ATs |
| Myanmar | Myanmar Accountancy Council (MAC) offers Diploma in Accountancy (DA) |
| Nepal | Institute of Chartered Accountants of Nepal (ICAN) admits ATs into membership |
| New Zealand | Chartered Accountants Australia and New Zealand (CA ANZ) offers AT pathways |
| Pakistan | Pakistan Institute of Public Finance Accountants (PIPFA) ¹² |
| Papua New Guinea | Certified Practising Accountants of Papua New Guinea (CPAPNG) offers Certified Accounting Technician qualification and membership |
| Philippines | National Institute of Accounting Technicians (NIAT) |
| Samoa | Samoa Institute of Accountants (SIA) admits ATs into membership |
| Singapore | Institute of Singapore Chartered Accountants (ISCA) works in partnership with the AAT |
| Solomon Islands | Institute of Solomon Islands Accountants (ISIA) admits ATs into membership |
| Sri Lanka | Association of Accounting Technicians of Sri Lanka (AATSL) ¹³ |
| Thailand | Not known |
| United States of America | No accredited programs |
| Vietnam | Vietnam Association of Certified Public Accountants (VACPA) working to secure AT recognition |

⁹ Sponsored by Chartered Accountants Australia and New Zealand (CA ANZ), CPA Australia and Institute of Public Accountants (IPA)

¹⁰ To replace Accredited Accounting Technician (AAT) and Professional Bridging Examinations (PBE) of Hong Kong Institute of Accredited Accounting Technicians (HKIAAT) in the year 2020

¹¹ Sponsored by Malaysian Institute of Accountants (MIA) which is awaiting government approval for technician membership

¹² Sponsored by Institute of Chartered Accountants of Pakistan (ICAP), Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan) and Auditor General of Pakistan (AGP)

¹³ Established on initiative of Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)

APPENDIX 4: UNITED KINGDOM ACCOUNTING TECHNICIAN PROGRAMS

| NAME OF PROGRAM | | DESCRIPTION |
|--|---------------------------|---|
| AAT | Program and Qualification | Professional Diploma in Accounting (level 4) |
| | Membership | <ul style="list-style-type: none"> • AATQB (level 3) • MAAT, FMAAT (following practical experience) |
| ACCA | Program and Qualification | <ul style="list-style-type: none"> • Diploma in Accounting and Business (level 4) (Applied Knowledge plus ethics module) • Certified Accounting Technician (CAT) (as above plus further exams, plus practical experience) |
| | Membership | No |
| CIMA | Program and Qualification | Certificate in Business Accounting (Cert in BA) |
| | Membership | No |
| CIPFA | Program and Qualification | AAT Professional Diploma in Accounting (level 4) |
| | Membership | AAT membership |
| ICAEW | Program and Qualification | Certificate in Finance, Accounting and Business (CFAB) (level 4) |
| | Membership | Business Finance Professional (BFP) following ethics module and practical experience |
| <p>Notes:</p> <ol style="list-style-type: none"> 1. See AAT case study for further information about its qualifications, memberships and licenses. 2. Level 4 refers to the UK regulated qualifications framework (comprising levels 1 – 8) and is the benchmark for professionally qualified ATs. AAT and ACCA offer programs at more junior levels. 3. CIPFA acts as a training provider for AAT and does not offer a CIPFA developed AT level program. 4. AAT, ACCA, CIPFA and ICAEW are CAPA affiliates. CIMA and AICPA (the latter a CAPA member) have established a joint venture, the Association of International Certified Professional Accountants. 5. All programs are open to non-graduates and offer pathways to senior levels. | | |



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