

A NEW YEAR AND A NEW HEAD

BY MAL SINGH

I am delighted to take up the Head DART post in what must be a very challenging and exciting time for the profession; challenging because success lies in Department's using resource based information for better decision making; exciting because as a specialism we have a key role to play in making financial management a departmental priority and in meeting the delivery agenda.

With Parliamentary control already in resource terms; next April sees public expenditure control moving to the same basis, this together with Whole of Government Accounts, provide a considerable requirement for resource accounts to be signed, certified and laid before Parliament to an accelerated, risk managed timetable - we all recognise that the earlier accounts are laid the more useful they are to the users. The pace of change does not stop at accounting, indeed, Central finance functions are also under-going transformation, which is resulting in much stronger links between finance and delivery areas with a greater focus on performance management. The issue of how departments may assess any shortfall in their need for resource-based financial management skills is to be addressed with Heads of Profession and PFOs. Both the C&AG and the PAC have commented on the sustained need for training to include a wider range of personnel at all levels.

The above challenges, together the fallout from Enron, implications of international accounting standards convergence and the Accountancy Institutes potential move to make CPD a mandatory requirement are just a few of the headlines that the DART team will be dealing with in the coming year, and will no doubt be forming part of



your agendas.

As ever, DART is dependent on the network of Heads of Accountancy Profession, the Finance Training Committee and other specialists groups and you as GAS members to keep the accountancy profession at the forefront of Government specialisms. I have already begun to meet some of you and would like to meet many more. Your thoughts and suggestions on how we can improve our service to members and equally what we can do to help you and your departments are welcome.

If you wish to contact me I can be contacted on 020 7270 4364 or via E mail mal.singh@hm-treasury.gsi.gov.uk

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Editorial

As we go to press with this quarter's edition not only is there a hint of spring outside, the new features and articles seem to reflect new beginnings. We welcome Mal as Head of DART and reflect on how Catherine West, one of CA's latest recruits, has found her way to the Treasury, we look forward to developments on the CPD front and in the shadow of the Smith report the impact on audit committees.

Daljit has taken the opportunity to look back at a number of conferences, which took place during the winter months, I think the photos speak for themselves, and we announce the dates and venues for this years events. The team has also been working with our telecom unit to restore the Hotline, more details within. The next few months will see us continue work on organising this years various conferences, the dates of which can be found in this edition, details for the trainee and qualified conferences will be sent to HOAP and Senior Professionals about 10 weeks prior to the event.

My thanks to everyone who has contributed to this edition, it is appreciated. If your department has held their own conference or you would like to contribute an article about a particular area of work please contact me.

To date the feedback we have had on the new design has been very positive and I hope you continue to enjoy the new format. Any ideas for new features let me know.

Next copy date is Friday 25th April 2003.

Happy Easter.

Roberta

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THE EFFECTIVE MODERN CV – ESTHA SHAIKH, CONSULTANT PUBLIC SECTOR DIVISION, BADENOCK & CLARK



Introduction

The modern CV should be evaluated on its effectiveness. It is a fact that, on average, prospective employers spend ten seconds, or less, reading a CV. An effective CV is a communication tool that tells you as much as possible about a potential employee within a short space of time. It needs to attract attention and should be informative and concise. The information supplied must be accurate and fulfil certain criteria. It is important to get it right as it may be the only opportunity to be considered for interview.

Content

Content should include, contact details, date of birth, nationality, relevant qualifications, career history in reverse chronological order, with no gaps unexplained, systems skills and reference details. In terms of appearance, it is widely acknowledged that a CV should be no longer than two pages. A prospective employer is unlikely to read beyond two pages without very good reason. All the information on a CV should be grammatically accurate and correctly spelt.

Key Words

The introduction of financial accounting principles, such as resource accounting, are examples of how central government is evolving. As financial functions are modernised, attitudes within the workplace are also changing. Civil Servants are often seconded between departments and the employment of external contractors is common. Certain skills are particular to central government for example RAB accounting and particular types of internal audit. Systems skills are increasingly relevant. Many departments are implementing new systems, such as SAP and Oracle 11i, so if you have exposure to these systems it is vital to include them. There are also keywords that should be mentioned such as 'corporate governance' and 'risk assessment'.

Tailoring your CV

It is important to focus on the relevant skills for the position that you are applying for. Put the most relevant parts of your career history at the top of each job description. Tailoring your CV to different roles is part of using your CV as the most effective communication tool.

Carrer History

This should be constructed in a comprehensive format that is quick and easy to consume. A concise description would include:

- 1) Size of employer and nature of employers business.
- 2) Size of team.
- 3) Level worked at.
- 4) Staff supervised.
- 5) Scope of position in the following areas:
daily/weekly/monthly duties, reports produced for internal/external use, internal procedures followed, external regulatory/statutory/legal procedures followed.
- 6) Technical areas/projects dealt with.
- 7) Systems expertise.
- 8) Special or unusual experience.

Presentation

A simple and clear approach is best. Information should be in bullet point format and the font should not be too large or elaborate. Plain white paper will make your CV easier to read and photographs should not be included.

Covering Letter

A covering letter is not always appropriate. You need to be sure that the person you are sending your CV to is the decision maker when it comes to short listing for the position. A good covering letter should attract rather than distract a prospective employer. It is important to remain concise and factual. A paragraph should contain all the necessary information of why you are interested in the position and what necessary skills you have to offer. Although you should use positive language it should not be used to excess.

Conclusion

There is no such thing as a job for life. Both the ambitious and the prudent should equip themselves with an up to date CV. This makes the whole recruitment process a lot quicker and ultimately more successful. It is also a useful way of clarifying what direction your career is taking and whether or not it is the correct path you are looking to pursue.

If you would like further information Estha can be contacted on 020 7367 1739

HOAP CONFERENCE

JANUARY 2003 AT BROADWAY HOUSE WESTMINSTER

The annual one day HOAP conference saw old and new faces meet at the premises of the Engineering Employers Federations for a full day of presentations and discussion.

The morning kicked off with a presentation by Mike Suffield of the NAO entitled RESOURCE ACCOUNTING - PROGRESS IN 2001-02. The session focussed on achievements in timeliness and quality and ways to further improve which would support faster closing.

Mike assured the audience that substantial improvements in timeliness and quality of accounts for 2001-02 were in evidence and that the NAO fully supports the Treasury aim for faster closing. He emphasised that the present timetable was unacceptable and it will benefit departments if the audit process is accelerated.

It was agreed that most departments could now speed up closure based on the experience of the past few years however, appropriate staffing and adequate training were key to meeting the targets, as is the building of partnership with NAO. NAO understands and appreciates the needs of departments and want to have regular meetings with departments in order to monitor and assist progress.

David Loweth opened the second session outlining the Treasury timetable for Faster Closing and production of accounts. David was joined by fellow HOAPs Adrian Fisher - OfGEM and Curtis Juman DTI, who both gave presentations based on their experiences in departments.

Adrian admitted that being a small department certainly helps with faster closing enormously, despite having some technical areas which need careful monitoring and a sound understanding. Yet the key is being familiar with the accounts and trial balance on a day-to-day basis rather than a once a year exercise. Adrian recognised that colleagues in larger departmentd were following suit by dividing the accounts branches into discrete sub-units thereby giving them the same advantages of smallness as in Ofgem.

Adrian felt controls need to be in proportion to risk identified but equally they need to be effec-

tive. In sharing the burden with internal audit and working with them this avoids a lot additional audit work needing to be undertaken by NAO.

Ofgem prepare the groundwork for audit by creating the evidence based month on month and in producing a comprehensive project plan to monitor and drive the process.

Adrian paid tribute to his staff stating Ofgem only succeeds because it has good staff, and their attention to detail adds immense value in this area.

Curtis looked "Towards the Promised Land or 40 more years in the wilderness?" he acknowledged that DTI had improved in areas of quality and time management, and that faster closing in May could be achieved by continuous improvement in Financial Management. He stressed that NAO processes and constraints needed to be examined, especially learning how to deal with limited resources.

Three influential areas which will ensure departments reach their goal are the influence of the senior management board; audit committee; and the central finance team. Systems, however, should be considered, he had found that whilst implementing Oracle this had given them an opportunity to examine the chart of accounts structure.

Curtis emphasised the need to work with NAO, ensure an audit plan was submitted and to engage the audit team early on with respect to potentially difficult issues. He also felt that where possible departments should use the management letter to assist with the changes.

After lunch Andrew Likierman facilitated a session focussing on change and measuring success. He too was pleased that qualifications had reduced and that it was possible that the timing of reporting had greatly improved on previous years' experience.

The Managing Resources series now includes the 2nd edition of the "Green Book" which gives lots of examples of the benefits departments are

gaining from managing on a resource basis, but he is seeking further examples for a 3rd edition later this year.

Andrew saw a number of new developments internal and external to government, over the next few months and stressed accountants will have a crucial role in making sure new information is robust and used.

A recent report he had commissioned has suggested four main goals,

- Making financial management a departmental priority
- Redefining the role of the finance team.
- Providing meaningful information to policy-makers.
- Building a team that delivers results.

Each whilst broad in their criteria were supported by key characteristics: An example of "Key Characteristics" is "Does the finance team have a clear role in meeting departmental objectives?"

Andrew thanked the network for their feedback on the Managing Resource series, and was pleased to note the high level of awareness and interest from all parties questioned. The majority of respondents from the November qualified conference had found the guides useful and that they had had a positive impact with colleagues. Andrew confirmed in addition to producing a further green book the analysis guide would also be updated this year. Andrew closed his session by posing a number of questions for the group which would probably be followed up at their July conference

- What more can we do to get the full benefits from the changes?
- Comments on the skills framework?
- Comments on the role of the HOAP in skilling departments

- Which departments have arrangements which deliver the full potential of a department and what makes them special ?
- How can we increase awareness of the Managing Resources series?
- Why the relatively low perceived usefulness rating for purple and green booklets?

The final session of the day focussed on the recently produced report on risk. Hugh Pullinger, Programme Manager, Risk Support Team, HM Treasury introduced the study by considering 'Improving government risk handling - implementing the programme of change'.

As part of the study a review had been conducted of good practice and where failure or crisis had occurred. The challenge for departments is as we face new threats, and pace of change this brings both opportunity and uncertainty, in addition the public are demanding higher standards, therefore the government's track record needs to be much better.

The research indicated that the public want more say in how risks are handled, and whilst progress is being made, there is still much evidence to suggest a need to improve. A Strategy Unit report is in place for a two-year programme linked to SR2004.

The programme consist of :

1. Embedding risk management in policy, planning & delivery.
2. Changing culture.
3. Better management of strategic risks.
4. Earning and maintaining public trust.
5. Improving guidance and training, sharing good practice

Copies of presentation can be obtained from Daljit 020 7270 1750.

HOTLINE SERVICES ARE RESUMED

As many of you will be aware our move from Allington Towers was smooth on most fronts but unfortunately we lost the Hotline: Careless ? yes and once lost it was irretrievable! The good news is our telecoms team have restored it to us and the service is up and running, better and more user friendly.

Anne and Barbara have worked closely with the telecoms team and the new service allows callers to jump through the announcements, rather than have to listen

to them all. There is also a change in format the Hotline will contain fewer details about jobs giving information on the position, grade, salary band, a brief outline of the key responsibilities, closing date and point of contact for further information. Full details will as ever be found on our web site or can be obtained from the DART team.

Finally, the Hotline has a new number **020 7270 4500**

SHAKEN NOT STIRRED?

LIZ CORRIN, CENTRAL ACCOUNTANCY TEAM

Has the world of the audit committee been shaken up with the recommendations published in January?

The last few weeks have seen a number of publications in response to the corporate failures in the US in 2002. One of the initiatives has been to examine the role of audit committees and produce guidance for both the members of an audit committee and the boards that appoint them. This guidance, published by Sir Robert Smith on 20 January 2003, develops and codifies the role of audit committees, and will lead to major revisions to the best practice code on corporate governance ("the Combined Code"). It aims to raise British corporate governance standards and help to maintain the UK position among the leaders in the field.

The key recommendations of the report are:

Composition of the audit committee

- Committee to include at least three members, all independent non-executive directors.
- At least one member to have significant, recent and relevant financial experience, and suitable training to be provided to all.

Role of the audit committee

- To monitor the integrity of the financial statements of the company, reviewing significant financial reporting judgements;
- To review the company's internal financial control system and, unless expressly addressed by a separate risk committee or by the board itself, risk management systems;
- To monitor and review the effectiveness of the company's internal audit function;
- To make recommendations to the board in relation to the external auditor's appointment; in the event of the board's rejecting the recommendation, the committee and the board should explain their respective positions in the annual report;
- To monitor and review the external auditor's independence, objectivity and effectiveness, taking into consideration relevant UK professional and regulatory requirements;
- To develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

In addition the Code will require that the committee should be provided with sufficient resources, that its activities should be reported in a separate section of the directors' report (within the annual report)

and that the chairman of the committee should be present to answer questions at the AGM.

The report recognises that the audit committee plays an important role in the defences against corporate wrongdoing. Members of an audit committee should play an increasingly important role in underpinning the assurance that boards give to shareholders of the integrity of the company's audit and internal control processes and that they must play a part in dealing with issues that go wrong.

A great deal will depend on the personal qualities of the audit committee members, the culture of the company and the relationship between the key people involved. There must be openness and mutual trust between all parties. However, where there are any disagreements between the board and audit committee, for example in the respect of the appointment of the external auditor, the audit committee is given new powers to report directly to the shareholders. The report emphasised that, although the audit committee must be independent of the executive management, it must be part of the unitary board.

The audit committee will have a major task to perform and should have the necessary resources to complete that task. These are both in relation to manpower, eg number of members, their independence and skills, the time spent on issues, and in relation to other resources such as administrative and other support and, possibly controversially, funding for independent advice. However, the audit committee cannot act effectively if they do not receive the necessary information and the board should place an obligation on staff, directors, internal and external auditors to volunteer relevant information to the audit committee, and not wait to be asked.

Although the focus of the report is on listed companies, which have to comply with the Combined Code or explain why they have failed to do so in the company's annual report, it is envisaged that this will become best practice for all companies with audit committees. The Financial Reporting Council, who is responsible for maintenance of the Code, has welcomed the Report recommendations and a revised code expected to be in force by July 2003.

There will no doubt be implications for audit committees within the public sector and any impact will be assessed by the Treasury.

A copy of the Smith Report can be found at <http://www.frc.org.uk/publications>.

FTC UPDATE - ROBERTA WOODCOCK

You may recall in the last edition, that the FTC was undergoing a period of consultation, with its members, to decide what issues and problems needed to be addressed over the coming months. A group of interested members, from a cross section of departments and agencies, met with me recently to discuss what was on their agendas for the next 12 months and to see if there were any common issues. I am pleased to report there were quite a few, however some will take considerable effort on everyone's part to reach a solution.

As always some are easier to address than other and solutions include an electronic newsletter for members on the latest developments, resources available, recently issued HMT guidance and other training related information. In addition we will be seeking to develop further the FTC section of the GAS gsi site.

There are a number of practical issues to address from evaluation to sharing information on training being developed or activities others have found to be of added value. There are also more technical problems to deal with, like the recently produced guidance on investment appraisal, resource budgeting and faster closing. Unsurprisingly, certain issues are still proving problematic, but I am hopeful that by taking a consortium approach to finding innovative solutions the

committee will be able to assist each other. Workshops and seminars will be included to investigate topics such as training the SCS, finance competences: their development through to skills planning for the future plus how to integrate finance competences into more traditional behavioural based frameworks.

As for the future, the FTC is keen to explore the whole issues of the future finance function, i.e. the vision, the skills required, the need to be more business focussed and will include the impact of integrated accounting systems on training and staff alike.

As expected there is a certain amount of overlap between the areas and of course to the work of GAS members. To this end, I will be discussing with the systems accountants how we can involve them in the subject of the future finance function. I would like to hear from you if you are interested in sharing the operational perspective with FTC members to assist them in their quest to develop solutions. So if any of the areas mentioned seem to have an over familiar ring to them or you are developing a blueprint of your finance sections future contact me. Alternatively if you'd like to know more and could join us for a couple of hours get in touch.

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Students will be supported to the highest level. A particular emphasis will be assisting students who may

have been out of education for a number of years. Dedicated specialists from both centres will deliver the course. You will find that your practical experience will be a huge asset. Groups will be small and informal.

The course has been specifically designed to minimise time away from the office and entails a mixture of home-based study (high quality learning materials will be provided) and college tuition, which will take place Friday-to-Sunday at 6-week intervals.

Interested?

For more information, please contact Andrea Samuels, Client Liaison Officer on 020 7403 4300, fax 020 7403 3040
or email andrea.samuels@cetc.org.uk.

GOVERNMENT ACCOUNTANCY SERVICE QUALIFIED CONFERENCE

NOVEMBER 2002

DAY 1

This year's conference was held at an excellent venue. Lunch was available on arrival, and provided the chance for old and new colleagues from other departments to meet each other. The hall itself was 'big' with a massive screen - so all delegates hopefully could clearly see the information presented by the speakers.

This conference proved to be bigger and better than last years' event, with a full capacity of 250 accountants waiting for the conference to start.

Session 1:

Accounting Developments: Living in a post-Enron World - David Loweth, HM Treasury

This was a busy year, especially following the Enron Scandal. This presentation provided a valuable insight and touched on the way in which 'Andersens had failed to perform their duties as an auditorial function', and 'what is expected of accountants in the financial world in the future'.

The other main topics were Enron 101; UK regulatory response: Co-ordinating Group on Audit and Accounting issues (CGAA); Enron and the domino effect; and The Way Forward

Enron 101

Enron incorrectly dealt with Revenue Recognition, through their long-term power supply contracts.

Special Purpose Entities (SPEs), gave Enron the opportunity to hide losses/liabilities, and if the value of the stock increases so does the value of the investment in the SPE, Enron recorded this as income! However as long as share price increased, all was well, but as we all know this wasn't meant to be.

Enron

Filed for bankruptcy December 2001 after restating financial statements to reflect charges mainly relating to off-balance sheet items/transactions. The role of the auditors Andersens was highlighted, which unfortunately has had a long term effect on the reputation of the accountancy profession.

The Domino Effect

Other major USA-based companies were effected as implications were felt worldwide. WorldCom was the next to fall as the World's largest bankruptcy in July 2002. Other companies also effected were: Global Crossing, Tyco, Xerox, Halliburton, and Qwest.

UK regulatory response: Co-ordinating Group on Audit and Accounting issues (CGAA);

Due to globalisation of markets, improvements made to UK regime for financial reporting and auditing, need to

be reviewed, in a co-ordinated way. The Secretary of State for Trade and Industry and the Chancellor set up the Co-ordinating Group on Audit and Accounting (CGAA). Its main purpose is to oversee and co-ordinate UK response to issues raised by Enron and other corporate failures. The Interim Report was published in Summer 2002; and final report early 2003.



The Way Forward

Work is now being taken forward in all areas identified in interim report. The main point delivered is the 'Accountancy profession needs to rebuild its credibility' and that we all have a part to play in encouraging and upholding the highest standards especially as members of Government and behaving as a role model for other accountants to follow suit.

Session 2:

Synidcates (Hays)

Three separate syndicate sessions; surviving assessment centres; career management and CV preparation.

Surviving Assessment Centres definition 'A competency-based rating process which gives participants an equal opportunity to demonstrate ability'.

These assessments are used because of increased objectivity, and it's a reliable indication of ability. Skills relevant to effective job performance can be tested, and research confirms that assessment centres are more than three times as effective as traditional interviews in predicting future job performance

Common techniques used by employers are: 'ability tests'; 'personality questionnaires' 'assessments/testing'. Candidates may need to meet other candidates, as well as take part in activities which may include: Presentation, Interviews, Group Discussion, Role Plays; Ability Tests, Personality Inventory, and Written Reports

Assessors will look for ability/intellect and personality in the Psychometric Testing. With the ability tests, these will require mostly verbal/numerical reasoning, and diagrammatical reasoning.

The personality questionnaires, is a self-report exploring individual competitive edge to determine if you are comfortable in social situations.

The common factors for preparing to succeed are: asking for information; participating; pacing yourself - treat every exercise separately; and most importantly to ask for feedback.

Andy Robling, Hays Regional Director, led Career Management Syndicate.

Andy discussed the Hays Survey results. The results indicated the highest areas of concern were: CPD which is personally important to most, Finance appears to now have a far-reaching role through to planning and budgeting, and the need for Accountants to act as advisers.

Andy asked delegates to reflect on: 'where they are now and where they want to be?' and most importantly 'how should I get there?'. He asked also 'what makes a good Head of Accountancy Profession?'. Andy gave tips and techniques to adopt.

Through this thought process delegates were asked to identify current responsibilities, existing skills, to examine future prospects, and to know which skills to develop to establish what the current position was.

Goal setting was looked at as a means of questions designed to stretch the imagination and make people consider the future. This was broken down into areas of character traits to be developed, which would help personal development, and how you want to be thought of.

'Where do I want to be?' The best method was to have a role model, ie identify a good senior accountant as your standard, individuals need to attain competence or expertise in Technical experience and softer skills such as, Staff management, Strategic planning, Negotiation skills, Leadership and vision, Internal PR skills.

How do I get there? The following should be considered: attend training courses; volunteer for projects; apply for jobs that broaden experience; find a mentor; books and cassettes; and reviewing professional journals.

Also it will be important to develop a detailed action plan for each specific goal, as well as identifying what will help and hinder your progress, ie benefits, available help, obstacles, skills required, short-term objectives and target dates to achieve goals set.

Tips and techniques were looked at and a useful neumonic to remember is SMART; ie Specific; Measurable; Attainable; Realistic; Trackable.

Lisa Comerford and Katie Levy delivered the syndicate session on CV Preparation.

This session looked at not only on what makes a good CV, and also on interview preparation, especially on how best to 'Prepare for the interview'; 'Interview behaviour'; 'Questions to ask'; and 'Questions you will be asked'.

Several key examples of presentation topics were demonstrated and discussed, ie the 'Financial Management is a major part of a senior managers role but they do not have in depth knowledge of accountancy. As part of your role as a monitoring accountant how would you support and advise such managers to ensure that accurate information is obtained'.

Lisa and Katie also covered the aspects of 'what makes an outstanding presentation?', 'how to prepare before doing a presen-

tation?'; as well as 'Delivery styles and how to handle questions.'

Session 3:

The Future of Resource Based Management. - Sir Andrew Likierman, HM Treasury

The session covered what is going on in the accountancy world, the implications of internationalisation, corporate governance developments, as well as IT developments, the performance measurement agenda, and the role of finance function. Andrew discussed the impact on how new systems were bedding in, as well as Developments in public/private finance, Sharman implementation, new reporting configuration and DIS information published.

His main focus was on 'moving from implementing resource-based systems to getting the most out of them'.

Andrew provided a background on the overall RAB timetable, how the project had been delivered to schedule, the number of qualifications reducing, and improved timings for this year. Andrew referred to positive examples of change. He stressed the move to producing Whole of Government Accounts and the fact we currently lead in the EU, and are among the world leaders.

Andrew confirmed the Resource Budgeting Process is completed and we are now in Stage 2 of the Spending Review 2002, with transition involving huge numbers, ie Overall (eg for 2003/4 resource budget): £11bn depreciation; £9bn cost of capital; £10bn other; and for individual departments the big ones are + £5 bn for Defence and £3 bn for Health.

Andrew pointed out that it was not just about capital: Provisions in Budgeting. The options were: no change (Balance Sheet movements in AME, cash in DEL), or moving as much as possible in DEL. The decision was taken to proceed with second, thus managing outstanding risks.

Some things will not change for eg. Investment appraisal. There are lots of specific opportunities, for Better information for the Board being produced for decision making, reports, costs, cost of objectives on what is owned, working capital and on outputs and outcomes.

Andrew looked to measure departmental success by improvements in:

- Planning and budgeting
- Decision-making
- Internal control/reporting
- External reporting/feedback

Other areas considered were barriers and overcoming such barriers to full implementation, referring to incentives available to departments. The Treasury can help in implementation, including areas as providing the framework and guidance; Disseminating good practice; Help on solving technical problems; Alerting on potential problems; Central link to National Audit Office and Parliament; Helping with staffing shortages and Training guidance.

The next step is to change the mindset by using the new information to the full, ie Resource management, on Fixed assets, Working capital, Decisions (eg on costs), Performance measures, Information used in-year.

He stressed that accounts qualifications do matter, they affect the ability to: produce robust budgets; for managing departments; and most importantly departments are accountable to Parliament.

Andrew reinforced that progress so far had been impressive.

Faster Closing is an issue, which is now being driven forward is essential to: plan within the new control regime; change the focus to use of quarter-end/month-end; and to ease the process for the finance function.

Another edition to the Managing Resources guides – 'Faster Closing' had just been launched and Andrew welcomed feedback. For further information on the series

Email: anne.perryman@hm-treasury.gsi.gov.uk

Andrew noted that Opportunities for GAS members are increasing especially in areas not traditionally the province of accountants.

Departmental accountants have a crucial role to play in making sure the new information is robust and used. He praised all, by adding a huge amount has been achieved, and encouraged this to continue as there are lots of challenges for the next stage.

Andrew's slides are available at:

[http://www.](http://www.hm-treasury.gsi.gov.uk/fmra/GasConference&Events.htm)

[hm-treasury.gsi.gov.uk/fmra/GasConference&Events.htm](http://www.hm-treasury.gsi.gov.uk/fmra/GasConference&Events.htm) and any comments can be Emailed to: andrew.likierman@hm-treasury.x.gsi.gov.uk



The evening social event provided an opportunity for all to 'network'. This year there was a 1930's murder mystery staged during dinner,

and there were plenty of 'Hooraa-Henries' in the house, while I must admit the ladies in the house did look glamorous! and so did the maid in the murder-mystery!!!

The murder mystery show proved to be a success, it was a great ice-breaker as well as getting people involved as detectives investigating the suspects. This was an excellent idea as it gave everyone the opportunity to 'make new contacts' in a relaxed atmosphere as well as catching up with some old 'gossip'.

There was a great atmosphere to the evening, which was loud to say the least. All were enjoying the night, which carried on into the early hours for some.



DAY 2:

Session 1:

The Forensic Accountant - Paige Rumble, SFO & Phillip Keith, Vetting Supervisor, DTI.

Paige Rumble:

There are a significant amount of fraudulent activities in the UK. The SFO deals with suspected fraud where the direction of investigation should be in the hands of those who will be responsible for its investigation.

SFO receives referrals from several sources, namely Police, DTI, CPS, FSA, OPRA/OSS and other. Total Referrals for y/e April 2002 were 75 compared to 70 (00/01) and 81 (99/00), of which the Police provided the most referrals, followed by other and DTI.

The SFO will only accept cases where it exceeds £1million, effecting the public, and which require specialist knowledge. Skills in investigative accounting and the legal field are combined.

The main victims of fraud are Investors, followed surprisingly by Government, Creditors, Banks, Markets and Others. At the Year ending April 2002, the total value of cases at risk is a staggering £1,750,000,000!!

The SFO also deals with Foreign Government enquiries, and in the year ending April 2002, it assisted 23 requesting States. With 46 Major International Cases. This doubled the number of requests compared with 1999.

A successful year for results up to year ended April 2002. Eight trials had been concluded, with 10 Convictions.

There have been some interesting, ingenious as well as amusing cases of fraud, most notably 'Ostrich Farming'; and 'Two Fat Ladies - Fraudulent Bond Scheme'.

Phillip Keith

DTI has Budget Running Costs £4.2million; Programme £5.5million with 99 staff.

Recruitment is mainly from the insolvency service - fully/part qualified accountants, including DTI lawyers, accountants from other Government Departments, secondees from accounting firms and short-term appointees.

Investigation Provisions ranges from Part XIV Companies Act 1985 (and Section 447), Assistance to overseas Regulators Companies Act 1989 Section 83, Insurance Companies Act 1982, Insider dealing, Investment business & Market Abuse. A comparison was made between the higher profiles inspection cases, compared to low profile investigation work.

The emphasis is based on Section 447 of the Companies Act 1985. There is no statutory definition to use this, but under the act the Counsel's advice is to promote purpose of s447:-

- to find out what happened;

- take action having regard to what is ascertained;
- or disclosure to others to take action;
- exercised fairly and not in oppressive manner;

These are used to tackle UK limited companies of a likelihood of fraud, or acting against the public interest and it does not have to be criminal in nature. It is unlikely to investigate where there is a commercial, contractual, or internal dispute, or for someone else, eg police, SFO, or a professional body.

Under this Section, the 'Powers' available are; access to all documents (including computer software/documents), to take copies/extracts, to require explanations of the documents.

Outcomes, from these powers are winding-up companies in the public interest, with or without notice, or appointment of official receiver as provisional liquidator.

Over 183 Investigations were completed to year ending 31/03/02, so far companies which have been lodged against and are formally being considered for investigation have been increasing over this period as compared to last year ending 31/3/02.

Philip, demonstrated an example 'The Caring Parents'. He showed the tip of the ice-berg of what scams are being pulled. The advert claimed individuals could earn up to £12000 per month (part time), and with the right effort, £150,000 per annum for the next 10 years however this is not a get rich scheme!

Additional-multiple benefits (worth £400) were included in the package - and all at a cost of £30 a year! Examples of the Business Opportunity, with basic commission, earnings illustrations for full/part-time members were given. On top of this an investment fee was asked of just £30000 plus VAT for a 10-year agreement. No additional fee for continued support.

Session 2:

WGA update

- Ian Carruthers & Vicki Genrich HM Treasury,
- Paula Wheeler Home Office

This looked at the background and progress made to date with the Home Office perspective on GOLD and its Milestones.

WGA - Scope & Staged Approach

Focussed on high-level benefits such as medium/long term, having a robust National Accounts to improve government accountability to Parliament and taxpayers.

The main priorities for 2002:

- **Publication of first ESA-based WGA for 2001/02**

Prepare the pilot CGA for 2000/01 on consolidation and software implementation. Milestone 3 guidance and training was pushed out by WGA, followed by raising the awareness of WGA and what accounts will show and set the WGA in a policy context.

- Preparation of "pilot" CGA for 2000/01

This reviewed the consolidation software implementation and milestone 3 guidance and training.

CGA Pilot 2000/01

The first run of CGA production process and tested GOLD build and Standard Chart of Accounts (SCOA)

CGA Milestone 2 Performance - Home Office Perspective

Milestone One - Summary of Requirements

Dear Consolidation Manager letters were sent to small and large NDPBs to confirm necessary Auditor engagement letters in place. Home Office confirmed to HMT that necessary engagement terms are in place for their group, more DCM letters followed on schedule and consolidated schedule of inter group balances (at 31/3/2001).

Milestone 1

The Home Office issued letters to NDPBs in May 2001, with no further work done until December 2001.

Whilst delivered late, the Home Office felt improvements could be made, because insufficient guidance was given to NDPB's, ie unable to reconcile some balances or different accounting policies.

Milestone 2

Home Office taking part in Pilot of GOLD Software, and restatement schedules were submitted. A mapping exercise to Standard Chart of Accounts of Home Office and 3 large NDPB's were completed from final Trial Balance.

Milestone 3 - Home Office Performance

Phase 1 certificates were submitted to HMT on time. NDPB accounts collected and consolidation packs completed. Journals and data submitted using GOLD. However some slippage for phase 2 as Consolidated Home Office Resource Accounts is not yet signed off.

What we liked

The WGA Team is always available to discuss problems and help. GOLD Software and Consolidation Packs are easy to follow, and a user-friendly and thorough training programme helps this.

What we didn't like

DCM and DCO letters are often very difficult to follow.

The consolidation packs are lengthy.

The SCOA description in the Chart of Accounts is not quoted next to the code.

The advice given could be a little more precise.

What we are afraid of

Differing timetables for Local Government and having a knock on effect on CGA.

Demand for dedicated/skilled resources and the National Audit Office.

Milestone 3 guidance and training on GOLD

GOLD MODULES

GOLD was rolled out to approximately 30 bodies. Departments expressed their interest to use GOLD for their own consolidation.

Milestone 3 guidance and training:

Milestone 3

Agreement of balances with an increase in threshold to £1m

Training was pushed out to 10 'Pilot' Department Users; with 50 GOLD users from departments. 60 attendees were at the NDPB seminar, with 30 NAO auditors.

Milestone 3 Deadlines

Have passed for submission of NDPB consolidation packs; completion of departments own consolidation data, and for completion of departmental sub-consolidations. Audit clearance on sub-consolidations deadline - 31 January.

**Session 3:
Information for the Board - Kevin Dixon,
Department of Finance Dublin**

Kevin is on secondment in Ireland, and it was interesting to see the similarities as well as differences between the UK and Ireland. The two governments', are similar but at different stages of development and both are long term programmes of development.

There were several areas of Irish reforms, with SMI (1994); delivering better government (1996); and better Local Government (1996). These were underpinned by: Public Service Management Act 1997.

Kevin requested delegates with a question of 'What I want you to do':

- Think of your organisation
- Think of your role in your organisation
- How do you relate to the Management Board
- What information is required and relevant
- How is the information used

He explained key areas on strategic decision taking, with its conflict and uncertainty in analysing objectives; identifying perceptions; and building links.

Kevin looked at the 'culture web' inside an organisation and raised the issue of strategic debates as well as implications. Again he asked to consider the strategic debates in their department/organisation:

- New products services v current
- Rationalisation v status quo
- New technology v legacy systems
- Public/Private
- Increased productivity/staff

The role of finance professional is diverse, and communication is a key element. 'By working on your circle of influence and providing information that makes sense it will increase effectiveness'. Kevin provided an example of this, and reminded all of 'what we can do':

- Learn from other perspectives
- Identify boundaries
- Confirm strategy and "business"
- Create a dialogue
- Communicate clear and consistent messages
- Encourage training, skills and knowledge

He referred to the Irish experience, of Strategic Management Initiatives and Debates, Management Information Framework (MIF), and Choices for Boards, and focussed on how to invest, be accountable and transparent, and develop staff skills and competences.

The MIF Programme is on schedule, and Guidance has been produced on: Resource Accounting Pilot and Evaluation; Performance indicators; Costing; Management accounts; Training Strategy.

Reporting Progress and Results looked at Government priorities; Strategy statements; Business plans; Performance Management Development System; Management Information Framework; Continuity and change. These have to be tailored to needs of the Board. Key areas are Communications Strategy; Professionalism (Networks); and IT based information.

**Session 4:
The Green Book - Appraisal and Evaluation in
Central Government - Jeremy Skinner HM Treasury**

The Green Book is a government guide carrying out appraisal and evaluation of policies and capital projects. It concentrates on appraisal in the form of analysing costs and benefits, and sets a government discount rate.

It was last updated in 1997, and has been revised to complement programme to modernise infrastructure set out in Spending Review. Significant changes occurred in macroeconomic conditions, including lower interest rates. There is a need for greater long-termism in government appraisal, as there now exists an opportunity to improve appraisal skills.

It is commonly used in business/economic cases, regulatory impact assessments, for any form of appraisal or evaluation as well as departmental guidance.

The main features are; cost benefit analysis; costs and valuing benefits to government and society; distributional considerations, discounting, and context of analysis.

The main changes from the previous edition are the unbundling discount rate, the effect on Taxation, and the Optimism Bias. The Optimism Bias affects many elements of appraisals in the Public and Private sector. Examples were given during the session.

What do you need to know now?
As from 1 April 2003 - the new guidance will be applied. Awareness and Training - needs to be 'pushed through existing channels'

For more information view:
www.hm-treasury.gov.uk/greenbook,
or Email: Jeremy.skinner@hm-treasury.x.gsi.gov.uk

FROM LOCAL GOVERNMENT TO THE HEART OF GOVERNMENT

I have recently joined the Treasury, on a 2 year loan basis, as an Accountancy Adviser within the Central Accountancy Team. In the main part, my job entails the provision of technical accounting advice to a number of government departments and the bodies which they are responsible for.

I joined the Treasury from the British Library where I was the Financial Accountant charged with the responsibility

of producing the Library's statutory accounts. I managed a team of 5 staff who, in addition to producing the statutory accounts, also managed the Library's bank accounts, in terms of payments and bank reconciliations, the fixed asset register and the Library's Restricted Funds, Trust Funds and Endowment Fund Accounts. All of which gave rise to a varied and interesting position whilst also having the privilege of working within the national library of the United Kingdom and one of the

world's greatest libraries with over 150 million collection items.

For those who haven't visited the British Library, I certainly recommend a visit, particularly to take advantage of the many and varied exhibitions which are held.

One of the current exhibitions is entitled, 'Magic Book - Children's Book Illustrations' suitable for both children and adults alike!

My most memorable time, whilst in my former position at the Library, was when the Library's Annual Report and Accounts for 2000/01 were recognised at the CIPFA PwC Public Reporting and Accountability awards ceremony with the Library being awarded the prize for 'Innovation in Public Reporting and Accountability'.

Prior to joining the British Library I held finance positions within the Housing Sector and within Local Government - where I originally

qualified as a CIPFA accountant. I also have first hand experience of undergoing Local Government Re-organisation when the former Humberside County Council split to create four new Unitary Authorities - certainly an interesting experience!

I have also been active in CIPFA Student Society voluntary work and whilst based in Leeds I was the Marketing Manager for the CIPFA North East Region Students' Society.

I have enjoyed the variety of all the jobs I have held and the different environments in which I have worked within the Public Sector and I'm looking forward to current and new challenges.

Catherine can be contacted on 020 7270 4542 or via E mail catherine.west@hm-treasury.x.gsi.gov.uk

RECORD STUDENT REGISTRATION GROWTH AT CIPFA

CIPFA's Education and Training Director Ken Gill has announced that record student registration growth of 71% has been achieved over four years, with 867 students registering for the CIPFA qualification in 2002 (508 registrations in 1998).

The Fast Track route, which enables CCAB-qualified accountants to become CIPFA qualified, proved particularly popular with 18% more students taking this route than in 2001. The Fast Track takes just nine months and can be studied on an open learning basis. It involves two papers: Financial Reporting and Accountability which provides in-depth coverage of Central Government reporting and a Case Study paper.

Marked development in the amount of younger students - aged 21 and under - was also evident, with a rise in this age bracket of 52% on last year. This may be due in part to the increasing amount of

Accounting Technicians who go on to do CIPFA.

Of great interest are figures which show that, for the first time in the Institute's history, more women are registering to study the qualification than men. This trend was evident at the beginning of the 2001 and culminated in an overall annual rise of 18% more female students.

Ken Gill said, "We actually reached our target of 750 registrations in September last year. The increasing registration levels are evidence that the CIPFA qualification is held in high regard by both employers and students."

If you would like further information on studying for the CIPFA qualification please contact CIPFA's Education Advisers on 020 7407 9010.

SIG CONFERENCE GROUP NOVEMBER 2002

The SIG conference last November proved to be another success, even if the agenda was hectic and tight !

Dhana Abel, John Pointing and Roger Neville of the Special Compliance Office (SCO - Inland Revenue) took to the podium first to explain the work of the unit. Its main function is to detect and investigate areas of: Serious tax fraud; Evasion; Avoidance; and Non-compliance.

SCO is the only part of the Revenue that deals with criminal prosecution cases. Whether it be by deliberate concealment or deception. Prosecution is more likely in cases of organised or systematic fraud against the tax, contribution or tax credit systems. Examples of their work include property letting & sales with failure to declare and notify of profits.

Information was received first via a district enquiry with the parties

involved being interviewed about property interests. At first they denied owning properties, but the Revenue held 'an evidence of property ownership/portfolio, as well as bank and building society books and statements.

Their accountants initially estimated Tax Loss was less than the Revenue, who's estimated was in the region of £500,000. Under certain sections of the Taxes Management Act 1970, the Inland Revenue has search powers, and on the day - 10 properties were searched. More significantly many items were seized which showed income/tenancy agreements. The parties were interviewed, and were held on remand overnight, only to attend a Magistrate Court following day where all three defendants were charged.

Further powers such as Drug Trafficking Act (1986 & 1994); The Criminal Justice Act (1988, 1993 & 1995); and Proceeds of Crime Act 2002 followed, and these have all helped the Revenue to restrain and

confiscate assets and money. Its main purpose is to deprive criminals of the proceeds/benefits of his crime, however certain conditions need to be met before a restraint order can be served.

ACCOUNTING AND AUDITING POST-ENRON: DEVELOPMENTS AND REGULATION - this session was facilitated by David Loweth Head of CA at the Treasury.. David reviewed, the scenario of Andersens: and asked the question who audits the auditors?

He discussed the USA regulatory overdrive, UK regulatory response: Co-ordinating Group on Audit and Accounting issues (CGAA).

ENRON, Filed for bankruptcy December 2001 after restating financial statements to reflect charges mainly relating to off-balance sheet partnerships. This raised issues on the company's policies re revenue recognition, off-balance sheet items and financial instruments. At the time Enron was the world's largest bankruptcy, however WorldCom, Global Crossing, Tyco, Xerox, Halliburton, and Qwest followed this, with the implications being felt worldwide.

Responding to this the Bush (US) Administration - introduced a "10-point" plan, involving Department of Justice, Securities and Exchange Commission (SEC) and Congressional Investigations. The UK response lead to the Co-Ordinating Group on Audit & Accounting (CGAA), set up by Secretary of State for Trade and Industry and the Chancellor. Its purpose: is to oversee and co-ordinate UK response to issues arising from Enron and other corporate failures.

The accountancy profession has responded via IAS and (in UK) FRS 5 'Reporting the Substance of Transactions' which should significantly reduce the likelihood of further 'Enron' type collapses.

David outlined the way forward - CGAA final report scheduled around end 2002, with Work being taken forward in all areas identified in the interim report. Accountancy profession needs to rebuild credibility, and we all have a part to play in encouraging and upholding the highest standards

Richard Carter, DTI, spoke about Modernising Company Law, he stressed that the key players are Directors, Shareholders and Auditors. Modernising Company Law white paper, first reviewed the role of Non-executive directors and to further the Listing Rules. Following this a Co-ordinating Group would review audit and accounting issues, with a final review of accountancy regulation.

Financial services action plan directives - Duties of directors:

This considered various duties of directors- such as behaviour, ethics, conduct and integrity and professional objectivity. Material factors with long-short term likely consequences and other relevant factors will constantly be considered.

An independent review of the role and effectiveness of non-executive directors was carried out, with shareholders having a part to play. Information is required from Listing rules; Operating and Financial Review; International Accounting Standards; Website publication. Information that in the directors' opinion will enable the members of the company to make an informed assessment of: the company's operations; its financial position; and its future business strategies and prospects.

Using information; could help in Tabling resolutions, Voting on resolutions, and scrutiny of polls. New requirement exists now for directors to volunteer information for Audit regulation.

CAROUSEL FRAUD the delegates were given insight into this by Brendan McMurrough, HM Customs & Excise

Briefly this involved the movement of goods (or paper transactions repeatedly taking place) between three or more traders and at least two member states within the EU.

It involves a missing trader or a trader who does not intend to pay output tax, this means the trader reduces the cost of the transaction (using the VAT as his profit margin) and subsequently disappears leaving a tax loss.

Types of Goods typically involved are low volume high value goods, such as computer parts e.g. Microprocessors, Memory cards, SIMMs to Mobile phones and basically any other commodity. To counter this MAREVA INJUNCTIONS, were introduced and since 28th June 2000, over 46 Mareva's have been applied for, granted and served. This has been a significant tool as the total value of assets funds identified is in the region of £49 million.

Dermid McCausland, Central Intelligence Unit from NHS Counter Fraud Service: Explained, the structure, training and difficulties faced in his department. His role is to investigate all cases of fraud and corruption within the NHS, which is achieved by identifying the problem, developing a clear strategy to tackle the problems, creating an effective structure to implement the strategy and to take action in all key areas. Action could be taken by: Deterrence, Prevention, Detection, Investigation, Sanction and Redress. Some examples of risk areas are Dental Services Fraud, Medical Services Fraud, Procurement Fraud and Payroll Fraud.

The Central Unit is responsible for: co-ordinating policy, directing operations, measuring risk, communications & publicity and training. Staff in this area are encouraged to attain a Degree in Counter Fraud and Criminal Justice Studies. There are eight regional operational teams in England, with Local Counter Fraud Specialists who are faced with many difficulties and constraints, this is made more difficult as CFS Staff have no special powers and compliance is achieved by Secretary of State Directions which can be quite restrictive.

Looking to the future The Strategic Health Authority is moving towards Proactive Work Planning, with Continuing Measurement Programmes and further development of the anti-fraud culture. This is leading to an overall aim of reducing fraud within the NHS to an absolute minimum, and to hold it permanently at that level, more importantly to free up resources for improved patient care.

Kenneth Grant, Department of Trade & Industry gave an overview of Companies Investigation Branch. Current Issues include the latest trend of 'Holiday Club Scams'. This scheme or scam provides access to website offering substantial discounts on accommodation and flights.

Its sales process involved a Cold Call and a target group such as Householders, married or co-habiting. In the 25-65 age bracket earning over £25,000 per annum. There were many trappings or 'hooks' to attract potential buyers, and offered significant value for money for a small cost all with ATOL/ABTA licence.

Once the deal is struck it meant the Balance is chased up by the

company, and on payment a PIN number is allocated, but the website is useless. The Usual Set-up was The Website, then The Money Trail, and an offer of a Free Holiday!

Different choices of packages were offered again all for a small fee, the Money Trail Overview, was for a large number of companies/individuals, which had a market worth millions of pounds. The website offering free holidays were designed to circumvent Timeshare Regulations and these organisation use the same models/templates with the same players, whilst the public remains gullible despite all warnings.

Look at the GAS Website:

For a section of the Special Investigations Group, which has contact details for the various departments and details of conferences etc. You will be able to obtain available copies of the presentation from the last three conferences, the address is:

<http://www.hm-treasury.gsi.gov.uk/fmra/gashomepage.htm>

The 5th SIG Conference will be held at: Somerset House, Inland Revenue building on 15th May 2003.

To reserve a place please contact:

Daljit Singha on 020 7270 1750

Email: daljit.singha@hm-treasury.gsi.gov.uk

Anne Perryman on 020 7270 1749

Email: anne.perryman@hm-treasury.gsi.gov.uk

DEFENCE SCHOOL OF FINANCE & MANAGEMENT CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME 2003

The need for all professionals, regardless of their specialism, to maintain and update their competences is one upon which all the Institutes and accounting bodies place great emphasis. At DCFM a varied programme is offered and during 2003 four separate weeks of CPD are planned. Dates are as follows:

- [Series 2](#) – 7-14 March 2003
- [Series 3](#) – 30 June and 1-4 July 2003

By way of providing a flavour of what we do full-day courses include Intellectual Capital and Knowledge Management, Investment Appraisal (both Basic and

Advanced), a series of Management Accounting Workshops, as well as shorter sessions on International Accounting Standards, Self Incrimination, Tax, and Foreign Exchange. Courses cost £150 (full-day)/£80 (half-day) to external delegates. A CPD Accreditation Certificate is awarded to all those who attend.

For further details please contact Emma Bevington tel: (01962) 887206



IFAC UPDATE

This edition sees the introduction of a new regular feature looking at the latest news from IFAC. The International Federation of Accountants undertakes research in a number of areas. This edition we look at three papers issued by the Education Committee, which have been subject to consultation in the past few months. In all three instances IFAC member bodies are expected to comply with the standards by 1 January 2005, but early adoption is encouraged.

EXPERIENCE AND ASSESSMENT

The committee is currently reviewing responses they have had to their paper on Experience Requirements which proposes an international standard for professional accountants. The standard prescribes the practical experience and training member bodies should require their members to obtain to qualify as professional accountants. The committee believes practical experience is necessary before a candidate can present themselves to the public as a professional accountant.

Experience should be a mix of general education, professional studies and practical experience, over a three-year period. It is seen, as a way of gaining knowledge, skills and professional values required to perform their roles and to form the basis for continued growth during an individual career. Practical experience should cover aspects such as gaining an understanding of organisations and their business functions, the ability to relate accounting work to the wider business functions and activities, develop at a practical level the profession's ethics and values and to have the opportunity to work at progressive levels of responsibility gaining specialist knowledge if required.

Whilst the three year period may not impact on the current schemes in place departments will need to review them to ensure that they are addressing the specific requirements in readiness for any CCAB review. On the monitoring side the employer is required to keep a record of the experience a trainee has gained and to periodically review this. Awarding bodies will also be required to undertake similar reviews.

This document is supported by a further paper on the assessment of professional competence prior to a candidate being formally admitted into the profession. Candidates will be required to demonstrate a number of different areas including sound technical knowledge and the ability to apply the same, problem solving and ranking multiples in order of priority, to offer and judge alternative solutions, the ability to integrate diverse areas of knowledge and skills, effective communication and an appreciation of ethical applications.

This assessment will be based on written material submitted by the candidate and any assessment will be made as near as possible to the end of the pre-qualification educational process and fulfillment of practical experience. The purpose is to allow the candidate to demonstrate they have sufficient amount of knowledge, skills and professional values to enter the profession.

These two papers taken together should give students,

line managers, mentors and training scheme administrators a clearer understanding of what is required in terms of practical experience.

CPD & THE GAS UPDATE

The final papers deals with Continuing Professional Development. As you should be aware the introduction of mandatory CPD has been proposed by the GAS and is currently being discussed by the CCAB bodies. IFAC are proposing that the bodies have schemes in place by 1 January 2005. DART are currently in consultation with the CCAB bodies to develop a GAS accredited scheme, for implementation 1 January 2004, which should be launched at this November's conference.

The IFAC paper sees CPD as an important aspect of servicing the public interest and fosters values of continuous learning and professional competence. The IFAC Code of Ethics states "A professional accountant should perform professional services with due care, competence and diligence" something I am sure you would all agree with and reflects the way in which GAS members undertake their work. However, it continues "[professional accountant] has a continuing duty to maintain professional knowledge and skill at a level required to ensure that a client or employer receives advantage of competent professional service based on up-to-date developments in practice, legislation and techniques." I wonder how many of you can honestly say in the past year you are fully conversant with developments in your chosen profession ?

The paper makes the case for mandatory CPD which reflect the view from the centre, in that the profession must be seen to be taking practical steps to ensure members maintain technical knowledge and professional skills. It suggests that reliance on market forces and competition is not enough to encourage and motivate accountants to undertake CPD activities. Interestingly the paper makes the point that by enforcing a CPD requirement this would be an important element in preserving the standards of the profession and maintaining public confidence.

This does all raise the question of availability and it our intention to aid in the facilitation of any scheme introduced for GAS members. IFAC make the statement that bodies will need to assist their members by ensuring there is access to programs offering relevant CPD opportunities.

So what is the proposed requirement ? Based on the current schemes run by the CCAB bodies an input-based system is likely to remain. The IFAC committee is recommending 120 hours of structured learning over a three-year period, with a minimum of 20 per year. This may seem daunting but remember this will comprise of both technical and non-technical development. Members will be required to evidence their compliance, which will be auditable by their institute. Furthermore, members will be encouraged to maintain a lifetime record of CPD to produce for potential employer - I wonder how long it will be if adverts for accountants, like other professions begin to include under the person specification "A demonstrable record of continuous self development ?

CHANGE OF CONTACT DETAILS FOR HEAD OF ACCOUNTANCY PROFESSION AND SENIOR PROFESSIONALS SINCE LAST EDITION OF GAZETTE

HOAPS

Central Office of Information. Mr Graham Beasant, Acting HOAP,
Room 153, Hercules House, Hercules Road, London SE1 7DU
Tel: 020 7261 8931 Fax: 020 7261 8555

Ministry of Defence. Mr John Thornton, CFC-HOAP, Room 112a
Block A, Warminster Road, Bath, BA1 5AA
Tel: GTN 01225 829421 Fax: 01225 828646

Northern Ireland Office. Mr Gary Boyd, Financial Services Division,
Lagan House, 79 Victoria Street, Belfast BT1 4PA
Tel: 02890 544073 Fax: 01232 544051

Treasury Solicitor's Department. Ms Linda Weaver, Queen Anne's
Chambers, 28 Broadway, London SW1V 9JS
Tel: GTN 210 2980.

SENIOR PROFESSIONALS

Court Service. Mr Colin Scott, Acting HOAP, 7th Floor, Southside,
105 Victoria Street, London SW1

Dept of Finance & Personnel. Mr Mark McNaughten, Rathgael
House, Balloo Road, Bangor BT19, 7NA
Tel: 028 9185 8112

Office of the Rail Regulator. Mr Brian Warrener, 1 Waterhouse
Square, Holborn Bars, 138-142 Holborn, London EC1N 2SU
Tel: 020 7282 2098 Fax: 020 7282 2044

A HEALTHY DOSE OF CPD!

On a rather cold and blustery day in mid January nearly sixty
Department of Health accountants descended on Leeds Town hall to:

- learn about some of the latest government accounting initiatives;
- discuss CPD requirements with the Institutes; and to
- influence the content of the DH finance staff development programme for 2003/04.

This event was the first in a series of training and development
opportunities being planned for DH finance staff in 2003.

The day began with a welcoming speech by Richard Douglas,
Director of Finance, he then handed over to the chair of the event:
Christine Daws, Deputy Director of Finance and Investment and Head
of the Accounting Profession (HOAP) for the Department of Health.

Improving Business Processes Using Modern Finance Systems

The keynote address on 'Improving Business Processes Using
Modern Finance Systems' was given by Ian White from ORACLE UK.
This was especially topical, as ORACLE has been chosen to replace
the DH's financial ledger. Ian described how using an integrated busi-
ness system that holds HR, finance, purchasing and management
information on just one database improves data integrity making it a
better source of management information.

He then explained how self-service automated transaction processing
on modern systems enables employees to input their own travel
claims, orders, updates to HR records etc which speeds up process-
ing times and reduces transaction processing costs by up to 70%.

At the end of the talk, delegates had lots of questions for Ian and for
Alan Kerr who is leading on the development of the new DH finance
system.

After coffee, delegates had the opportunity to attend two work shop
sessions.

The Workshop Sessions

There were four workshops on offer:

- balanced scorecard;
- FRAB and new accounting developments;
- whole of government accounts; and
- designing a DH finance staff development plan for 2003.

Balance Scorecard

The workshops on Balanced Scorecard were run by Ian Seath from
consultants TQMI. The aim was to explain the Scorecard concept
and some of the jargon that goes with it. Those attending participat-
ed in an exercise to identify some examples of performance indica-
tors for their Directorates across each of the four Scorecard
perspectives (Finance, Customer, Process & Organisational
Capability). The workshop also made links to this year's DH business
planning process into which a number of scorecard principles have
been built. A final participative session saw delegates looking at the
differences between Performance Indicators, Targets and Actions,
which are needed to build a scorecard.

FRAB and New Accounting Developments

Anne Rylatt, DH Section Head on NHS Accounting Policy, led the
workshops on FRAB and new accounting developments. The ses-
sion was divided into three parts: FRAB; changes to the UK GAAP
"infrastructure"; and accounting standards.

She explained the role of the Financial Reporting Advisory Board in
relation to resource accounting and how the role was broadening to
encompass other bodies, consistent with the move to Whole of
Government Accounts. In particular she described the process and
considerations in bringing NHS trusts within the remit of FRAB.



Anne advised the forthcoming changes to UK GAAP resulting from the Company Law Review and from the recent EC Directive which requires the application of international accounting standards to the consolidated accounts of listed companies from 2005, and the potential extension of this requirement to other bodies.

She then ran through the scope of the Statement of Principles for Financial Reporting and the current work being undertaken to interpret this for "public benefit entities". Anne also discussed the review and adaptation of the four fundamental accounting concepts in SSAP 2 on its supersession by FRS 18 and the misjudgement of FRS 17 by the media, giving the real reasons for the demise of defined benefit pension schemes.

Whole of Government Accounts

Ian Carruthers, Head of Whole of Government Accounts Programme, led this workshop. Ian explained that the aim of Whole of Government Accounting (WGA) is to improve government information through more joined-up reporting. He said that WGA:

- will reinforce the shift of focus to medium / long term;
- mean more robust accounts; and
- improve government accountability to Parliament and taxpayers.

For the latest news on WGA visit the website at www.wga.gov.uk.

Designing a DH Finance Staff Development Plan for 2003

The fourth workshop session, run by Christine Daws,

HOAP at DH, gave delegates the opportunity to help design the DH finance staff development programme for 2003/04. Delegates had lots of ideas including:

- holding lunch time seminars on new initiatives;
- holding a student conference;
- taking a more proactive role in the induction training of new staff; and
- setting up a DH finance staff website.

All these suggestions are now being pulled together to produce a DH finance staff development plan for 2003/04.

GAS and CPD

After the second workshop, the focus of the day shifted to continuing professional development (CPD). Roberta Woodcock, Development of Accountancy Resources Team (DART), introduced this section of the event and also described the support GAS were planning to offer government accountants when CPD became compulsory for all.

Delegates then met with representatives from their accountancy bodies to find out everything they had always wanted to know about CPD including:

- what CPD is;
- is CPD compulsory now;
- will CPD be made compulsory in the future; and
- how will CPD be policed if it is made compulsory?

With answers to all their questions, delegates set off home, but not until they had completed their evaluation forms giving their verdict on the event.

And What Was The Overall Verdict?

Delegates said they found the day 'interesting and informative' that it was a 'very good start and great opportunity for networking' that it should be run 'more often than once a year' and to 'invite others (all finance staff) next time too'.

So it is clear both from informal feedback on the day and from the comments on the evaluation forms that this event was a resounding success and should be repeated.

10 Ways TO BEAT STRESS

The first in a series of short articles by Anne Perryman looking at health and fitness matters.

Stress is the biggest enemy in the modern world. Although experts agree that acceptable levels of stress increase productivity, when the reactions are inappropriate they can lead to health problems. The diseases most often connected to a stressful environment are heart disease, high blood pressure and cancer.

Doctors now recognise that stress is connected to other conditions like asthma, allergies, migraines, ulcers, bowel and skin problems. The facts speak for themselves: 75-90% of all visits to the doctor are stress-related.

To protect your health and deal with stress effectively,

isolate the sources of your stress - then plan a strategy for coping.

Here are ten simple tips to help you beat stress:

- 1) Share your workload with family and colleagues
- 2) Get up early - set aside an hour before everyone else wakes up to get organised for the day
- 3) Get rid of clutter
- 4) Don't take on too much at once
- 5) Take breaks in the day - even just 10 minutes - to clear your head
- 6) Develop a forgiving attitude
- 7) Give yourself a license to be imperfect
- 8) Allow time to exercise
- 9) Wind down with some relaxing music
- 10) Just say "no"

WEBSITE OF THE MONTH

This is a new site taken from the new PQ Magazine. This site keeps you up to date with breaking accountancy news. You can also subscribe to the magazine on line it makes a good read filled with information and fashion tips.

www.pqaccountant.com

Want to use your brain more effectively. Try mind mapping this is a technique, which was originated by Tony Burzan.

www.mind-mapping.co.uk

Fed up of the winter blues, looking forward to getting away for some summer sun log onto OPODO for some great deals and last minute bargains.

www.opodo.com

This is one of CIPFA's websites, where you will find information for students and members on regional activities.

<http://www.cipfa.org.uk/regions/>

Looking for a special gift, want something different for the person in your life? Why not try Motivark choose from over 300 gift experiences ranging from Terrifying, Exhilarating to relaxing.

www.motivark.co.uk

Got an important meal to prepare for why not try Jamie Oliver's website for some seasonal recipes and tips and hints, essential ingredients for your cupboard and recommendations on wines. The site has a page dedicated to kids. There is also information on Jamie's books and video/DVD's, which can be purchased online.

www.jamieoliver.co.uk



AAT LAUNCHES NEW ONLINE CPD LOG FACILITY

Keeping a record of your learning and development activities can be a pretty tough task. With so many different sets of notes, diary entries and course certificates to collate, it can be difficult to get a view of the overall picture.

So why not use the on-line CPD log facility we have developed to help you? This free service is available to all student, affiliate, full and fellow members of the AAT, and will help you to keep your CPD records up to date and in one place.

Registration is easy and will grant you personalised and unlimited access to your own passworded CPD log.

There are many reasons to keep a record of your CPD. You might

want to review what you have done, identify what you have learnt, or decide what to do next.

Free career development event
Leeds Football Club
Elland Road
Saturday March 1 2003

Don't miss this opportunity to meet representatives from the AAT, Reed Accountancy Personnel, BPP, CIPFA, ICAEW, CIMA, your local AAT Branch, and other AAT members. You also have the option of booking a one-to-one advisory session to discuss your career and professional development.

AAT TO ACA FAST TRACK EVENT IN THE NORTH-WEST

The AAT to ACA Fast Track route is an exciting new initiative designed to provide AAT student members with the opportunity to build on their knowledge and skills and progress to Chartered Accountancy. The AAT and the ICAEW will be holding a free lunch for employers where you will have the opportunity to talk to representa-

tives from the ICAEW and the AAT about the fast track initiative, and network with other employers and tuition providers.

To find out more please contact Helen.Carson@aat.org.uk.

AAT

NVQ/SVQ IN PAYROLL ADMINISTRATION EMPLOYERS LUNCH EVENT IN THE NORTH EAST

Every organisation benefits from specialist, trained payroll staff. With increasing legislation, staff have to deal with family tax credits, student loans, company cars and travel, as well as the regular payroll functions. The AAT's NVQ/SVQ in Payroll Administration helps staff to develop practical payroll skills, and wider business skills such as IT and management skills.

To find out more about how this qualification can benefit your organisation a free employers' lunch is being held which will include presentations from the AAT's Chief Executive, Jane Scott Paul, and an employer's perspective from a representative of South Tyneside Metropolitan Borough Council. For further information please contact Helen.Carson@aat.org.uk.



UK DTI WARNED NO NEED TO IMPOSE INTERNATIONAL ACCOUNTING ON ALL

ACCA has stated that it does not support the option of making international accounting standards (IAS) mandatory for all companies in the UK and believes that, post 2005, it should be a matter of choice for small and medium sized enterprises (SMEs) as to whether or not they adopt IAS.

ACCA made these comments in its response to the Department of Trade and Industry's consultation on extending the adoption of IAS, to include unlisted companies. Highlighting the current costs of conversion from UK to international standards and the fact that IAS are being designed increasingly for the needs of larger listed companies and global capital markets, ACCA argued that SMEs, which represent the vast majority of UK companies, currently stand to gain little benefit from switching from UK standards to international standards.

Roger Adams, ACCA Executive Director - Technical, said: "Given the current situation, a general allowance, as opposed to a mandatory requirement to use IAS, is the correct approach for unlisted companies."

"The substantive differences between IAS and UK standards are expected to be relatively few by 2005. A general allowance approach would mean that unlisted

companies would not be forced to make immediate changes from UK standards to IAS, which might increase their cost burdens. It would also mean that, after 2005, the UK would have a set of standards very similar in principle to IAS, but allowing for some reduced disclosures and simplified measurements appropriate to unlisted companies."

ACCA also noted that the Accounting Standards Board (ASB) and relevant UK Government Departments need to clarify a number of issues, for example:

whether national law can require further disclosures beyond IAS, for instance of directors' emoluments or audit fees

how a change to IAS will be treated for tax purposes

accounting for charities and pension schemes

and

financial reporting in the public sector, including the NHS and local authorities.

ACCA

ACCA'S INITIAL REACTION TO QUEEN'S SPEECH

ACCA is mindful that 'the devil is in the detail', and will be analysing the full implications of forthcoming Bills as they progress. ACCA's initial reaction to the speech centres on the implications of its measures for the business community.

These are:

- Shake-up of the courts system, including simplifying the rules of evidence ACCA awaits confirmation on the detail, but hopes that measures proposed will address the current problem faced particularly by small business owners, who, when plaintiffs, can often be called away from their businesses for excessive amounts of time to give evidence in court. For a one-man/woman business, this effectively means the closure of that business for the duration of the evidence-giving.

There is also mention of improving payments of damages awarded in personal injury cases. ACCA questions whether reform will also be extended to compensation payments to businesses.

- Licensing law reform/ abolition of fixed opening hours
ACCA will be assessing the many regulatory implications of 24 hour opening for licensed premises, including part-time working regulations and employers' liability insurance. The Government claims that the Bill will deliver savings to licensed businesses of nearly £2 billion over the next ten years through reforms and reduction of red tape; and will 'significantly expand the leisure and entertainment options available to the consumer'. However, ACCA comments that, if businesses are going to profit from this, they will need to more than offset the inevitably higher costs of employment and insurance.

- Modernising Local Government

ACCA will be analysing in detail proposals relating to the financial

management of councils. ACCA will also examine any proposals for small business rates relief, to assess whether they will be of genuine benefit to the small business sector. ACCA believes that, in the long-term, it is the rating system itself which should be reformed, as a more equitable business rates system would negate the need for a small business rates relief system.

- Planning system reform

ACCA is hopeful that measures proposed in this area will genuinely streamline the planning process for businesses, cutting out the bureaucracy and excessively long planning process which is currently in place.

- Corruption law reform

ACCA supports meaningful efforts to combat corruption in public and private sectors. However, with regard to the proposal to cover all forms of corruption in a single statute, ACCA highlights the difficulty of imposing a single standard of permissible conduct on both sectors.

Elected officials and staff in the public sector owe a transparent duty to the public which elects and pays them. The private sector is based on the principle of competition and has a different ethos. It is not as a rule reasonable to apply a standard which may be justifiable in the public sector to businesspeople in the private sector. Furthermore, the governance standards which exist in the private sector are on a non-statutory, i.e. best practice basis, and the appropriateness of this basis has been considered and upheld in the recent past.

CREDIT CARD FRAUD - GUARD AGAINST THIEVES, SAYS ACCA

To avoid becoming victims of fraud, shoppers and revellers must play it safe with their credit cards, the Association of Chartered Certified Accountants (ACCA) has warned.

Credit card thieves move incredibly quickly to spend your money before credit card issuers are alerted. By the time card issuers are informed, the fraudsters have already run up large bills. Even though most credit card issuers will absorb the costs of fraud, once informed, the process of negotiation with the bank can be lengthy and tortuous. It is not just credit cards which can be a security risk; any receipts or forms with credit card information on them may be used by thieves to create a "clone card".

Shoppers and revellers should follow some common sense rules:

- always keep credit card receipts, dispose of them carefully later on - in some prosperous areas, thieves have taken to going through household rubbish

- if you buy over the Internet, it is far safer to use a secure web site

- the site will tell you if this option is available; if you have any doubts about the business, check it out by telephone or do not buy

- take your credit card to the cash register in a shop or restaurant; do not let anyone out of sight with it

- keep wallets and purses in secure places while you are in the shopping crush; backpacks and/or loosely held handbags are not a good idea

- check your credit card statements carefully to ensure that all transactions are bona-fide; this check will also provide a warning if your credit card has been cloned

- take out a credit card cancellation policy which will allow you to stop your cards with one phone call

- never write down personal pin numbers.

ACCA CALLS FOR RADICAL SHAKE UP OF ACCOUNTING REGULATION

The over-complicated system for regulating the UK accountancy profession, which results in duplication and lack of accountability, must be radically restructured and streamlined, says ACCA.

Responding to the current government consultation on accountancy regulation in the wake of the Enron and World Com scandals, ACCA has called for a joined-up approach, which recognises that recent problems owe just as much to issues of accounting principles, board-room ethics and corporate governance as they do to the standard of audit work.

ACCA wants to see the separation of standard setting from regulatory oversight. It wants to see responsibility for the Auditing Practices Board - the body which sets standards for company audit work - move to the Financial Reporting Council, which already supervises the standards for the preparation of company accounts. The Accountancy Foundation, the Ethics Standards Board and the Review Board should also merge into a single body.

Jonathan Beckerlegge, President of ACCA, who chaired a special meeting of ACCA's international Council to consider regulatory strategy this weekend (November 30/December 1), said: "Regulation must be integrated if it is to be effective. A risk-based approach, which places more emphasis on companies and situations where investors' capital is at risk, is entirely right. But an exclu-

sive focus on listed company audit work, which omits financial reporting and corporate governance, misses the point."

ACCA considers that it can speak with authority on this issue, both because of its wide international network and because it is free from the vested interests which can make other bodies appear to be the mouthpiece for the big audit firms.

"The present UK regime is over-complex, with too many regulators tripping over each other, duplicating effort and clouding accountability. Separating standard setting from regulation will enable a streamlined Review Board to concentrate on the task of ensuring that the professional bodies - and the independent disciplinary machinery for public interest cases - work effectively in the public interest," said Jonathan Beckerlegge.

ACCA's council also expressed concern about claims that a WorldCom or Enron style scandal could not happen in the UK. "Such claims are looking increasingly naive," said Jonathan Beckerlegge.

"A number of UK companies, including SFI, Bulmers and MyTravel, have recently had to admit to black holes in their accounts amounting to tens of millions of pounds. This leaves no room for complacency," said Jonathan Beckerlegge.

ACCA APPLAUDS THE REVIEW BOARDS ENDORSEMENT OF OPEN HEARINGS

ACCA has welcomed the publication of the Review Board's report on Complaints and Disciplinary Procedures. It believes that the overriding conclusion to be drawn from the report's recommendations is that disciplinary procedures must be transparent and robust in order to retain public confidence in the profession.

Peter Large, ACCA's Executive Director - Professional Standards, said: "There is really only one effective means of demonstrating transparency of disciplinary processes and that is to make hearings open to the public. ACCA's disciplinary hearings have been open to the public since 1996 and we warmly welcome the Review Board's endorsement of this principle."

In addition to open hearings, ACCA has led the way in a number of other aspects of professional discipline. It was among the first professional bodies to carry out a Human Rights Act review of its disciplinary processes. ACCA now has some of the most effective, robust and highly regarded disciplinary procedures among the professions. This is demonstrated by the fact that it is

already substantially in compliance with the Review Board's recommendations.

ACCA does, however, have some concerns about the Review Board's report. It does not believe that it is either necessary or in the public interest to promote complete uniformity of approach among the accountancy bodies. It believes that the Review Board should set out core principles and benchmark standards and focus on equivalent outcomes rather than uniformity among the bodies.

Peter Large said: "ACCA is committed to the pursuit of best practice and we are prepared to be highly innovative to achieve this. Nothing demonstrates this better than being the first of the accountancy bodies to hold disciplinary hearings in public."

"ACCA would be very concerned if its scope for innovation was constrained by a lowest common denominator-style pursuit of uniformity among the bodies. Our culture of innovation is very much in the public interest."

ACCA LAUNCHES NEW CONTRACT CENTRE

Today's launch of ACCA Connect means that all 300,000 students and members of ACCA are now able to contact a new Glasgow-based centre dedicated to handling their enquiries.

ACCA Connect will provide a personal response to enquiries from all over the world, six days a week for almost 24 hours a day. The extensive opening hours mean that students and members can obtain information and advice at times which are convenient to them. A team of 24 staff, operating in shifts, has been recruited and intensively trained to provide this service, which is already being used by callers. The centre is already handling more than 4,000 calls a week.

Elizabeth Reid, ACCA's Head of Customer Contact and Administration, said: "The contact centre has the ability to answer more than 500,000 calls a year, and to be as flexible as possible.

Specialist advisers handle enquiries from people wishing to study with ACCA, existing students and members. Any queries which cannot be dealt with by the centre immediately are sent to the appropriate department or international office in ACCA - with a commitment for them to be resolved immediately.

"An interactive voice response system has been developed which purposely keeps callers options to a minimum to keep waiting times down," said Elizabeth Reid.

That system has been provided by Siemens, and puts ACCA at the forefront of inbound call centres. A customer relations management system supplied by Oracle provides ACCA Connect staff with virtually instantaneous access to details of students and members, so that enquiries will be dealt with quickly and efficiently.

DON'T DELAY ON SELF ASSESSMENT, WARNS ACCA

Individuals and businesses need to prepare now for the final Self-Assessment tax return filing and payment deadline of 31 January 2003, warns the ACCA.

The deadline date remains the same, despite the fact that the self-assessment process has been plagued with difficulties which, according to ACCA's Self Assessment survey, seems to get worse every year. 98% of accountants experienced problems due to Inland Revenue system failures or errors, with 80% having to spend extra time on clients' returns because of those failures.

Those who are covered by Self-Assessment must make sure by 31 January, that their returns are filed and the tax paid for the financial year ended 5 April 2002. If they do not do so, they could suffer interest and penalties. In addition to this, payment on account must be made for the current financial year.

Chas Roy-Chowdhury, Head of Taxation at ACCA, said: "The 31 January deadline is much more onerous as the taxpayer must complete his tax return as well as to work out correctly the amount of tax he owes and pay it. If the taxpayer is at all unsure what to do, he should immediately contact the Inland Revenue Self-Assessment help-line or engage a Chartered Certified Accountant. But, whatever happens, the taxpayer must act swiftly to avoid any adverse consequences.

"The penalties for 'being late' follow a twin track approach. There is a £100 penalty if you do not file the tax return by 31 January 2003. There is then an interest charge on any tax not paid on that date. If the 2001/02 final tax payment is still not made by 28 February, an additional tax driven surcharge of 5% on the outstanding balance will be imposed," said Chas Roy-Chowdhury.

WORKPLACE DEGREES WELCOME - BUT RATHER LATE, SAYS ACCA

The Government's proposal to enable thousands of young people to undertake 'learn-while-you-earn' degrees is welcome, but overdue, says the ACCA. Rather than being a bold new initiative, the plan reflects where the market has already moved to, says ACCA which has always believed that it is possible to study successfully for qualifications, whether professional or academic, while working.

In conjunction with Oxford Brookes University, ACCA has developed a BSc Honours Degree in Applied Accounting which has attracted more than 60,000 ACCA student registrations since it was introduced two years ago, making it the biggest undergraduate accountancy programme in the world.

Students can study for the degree while training as accountants in a wide variety of work environments, anywhere in the world. ACCA worked closely with Oxford Brookes to ensure that the degree meets both academic and professional standards. Since the degree option was offered two years ago, the numbers of students joining ACCA annually has increased by more than 17,000 - a 35% jump.

Andrew Harding, Executive Director-ACCA UK, said: "While it is welcome, the Government plan is behind the times and is a case of playing 'catch-up' with the academic market. Our experience is that students have been looking for these types of opportunities for a number of years. That demand has belatedly been recognised."

CIPFA THE GLOBAL REVOLUTION IN GOVERNMENT ACCOUNTING

CIPFA

Public Money and Management has brought together leading practitioners and academics in a collection of articles on the global revolution in government accounting. The theme articles, to be found in volume 23 (2003) of *Public Money and Management*, illustrate the extent and depth of the changes now taking place. James Chan addresses the ways in which government accounting is legitimately different from private sector accounting, as a consequence of different objectives and different user groups. Rowan Jones's article examines the neglected relationship between financial reporting and national accounting. Paul Sutcliffe provides an exposition of the public sector accounting standards

programme of the Public Sector Committee of the International Federation of Accountants. Noel Hepworth discusses the preconditions for successful implementation of accrual accounting in central government. Finally, Sir Andrew Likierman writes about planning and controlling UK public expenditure on a resource base.

CIPFA's *Public Money and Management* Volume 23 is free to PMPA members (see below) or individual copies can be purchased. Further details from Sandra Harper at CIPFA, 3 Robert Street, London WC2N 6RL. Tel: 020 7543 5679; fax 020 7543 5695; email: sandra.harper@cipfa.org.

TOM SOWERBY AWARD

Do you know someone who has improved the lot of CIPFA students? If so, why not consider nominating your mentor or colleague for the Tom Sowerby Award? CIPFA's Education and Training Director, Ken Gill, is now welcoming applications for 2003.

There is an open nomination process, but entries must be made on the official form, which can be downloaded from the website. <http://www.cipfa.org.uk/eandt/sowerby.ihtml>

CIPFA AND THE WHOLE OF GOVERNMENT ACCOUNTS

CIPFA has a new member of staff leading on the Whole of Government Accounts. Catherine Park joined CIPFA's Policy and Technical Division on 13th January as Technical Manager (Accounting and Financial Reporting). Formerly of Solihull MBC and CIPFA Education and Training Centre, Catherine will be lead officer for CIPFA on whole of government accounts and will be working closely with the Treasury's WGA team on conver-

gence issues. Catherine will be assisting the CIPFA / LASAAC Joint Committee on the evaluation and modification of the current approach to group accounts in local government which is a key element of convergence. In addition Catherine will be responsible for overseeing CIPFA's responses to exposure drafts, discussion papers and consultation papers on accounting standards and financial reporting regulation issues.

CIPFA CENTRAL GOVERNMENT PANEL

The Central Government Panel plans to hold its regular annual seminar on "Current Developments in Central Government Finance" in the second half of 2003. Subject areas will of course depend on developments in 2003 but previous seminars have included:

- a summary of current developments in central government accounting
- Resource Accounting & Budgeting
- The Current Spending Round

- Whole of Government Accounts: Up-date
- Performance Management and Measurement in Central Government
- Corporate Governance Up-date

The timing is dependent on the availability of speakers. For further details of this or other central government seminars, please ring Alex Aarons on 020 7543 5751 or email alexandra.aarons@cipfa.org.

PUBLIC MANAGEMENT AND POLICY ASSOCIATION

The PMPA offers managers and policy makers in the public services a range of opportunities to keep abreast of and debate cross cutting issues.

PMPA's lecture series for the spring includes Max Cattle of Hackney addressing the question 'Does Intervention Work?' on 7 May; Naomi Eidenstadt (Director of Sure Start) on 'Mainstreaming' on 20 May, and Tim Brighthouse (London Schools Commissioner) on 'Minimising the danger of failure while encouraging risk' on 24 June. Details of these, and all PMPA's events, can be found on the association's website: www.pmpa.co.uk.

Order forms for all the association's publications, including the new, expanded, edition of Professor Andrew Massey's popular guide to the UK public sector, *The State of Britain*, can also be found on PMPA's website.

Details, and a membership pack, are also available from Sandra Harper at 3, Robert St, London, WC2N
email: sandra.harper@cipfa.org.

JOINING IN

The PMPA is a national membership organisation managed and supported by CIPFA. Members of CIPFA, ACCA and CIMA are entitled to join at a discounted annual rate of £65 (2002-03). Current membership benefits include

- Priority booking at all PMPA lectures and events
- Individual subscription to CIPFA's quarterly journal (*Public Money and Management*)
- Four issues of the popular PMPA Review
- PMPA Reports

Further information on joining the PMPA is available from the PMPA website - www.pmpa.co.uk (which includes a downloadable application form) or from Sandra Harper at CIPFA, 3 Robert Street, London WC2N 6RL. Tel: 020 7543 5679; fax 020 7543 5695; email: sandra.harper@cipfa.org.

CIMA

CIMA

CIMA'S NEW EXEMPTIONS SERVICE IMPROVED POLICY BEGINS FEBRUARY 2003

CIMA is continually striving both to improve the service it offers to CIMA students and also to take due regard of employer requirements in the award of exemptions.

Having reviewed its exemptions arrangements, CIMA will be introducing a new procedure from 1 February 2003 (students who have a CIMA accredited qualification will not be affected by the new approach.)

From this date, an extended 'blanket' policy will enable students with prior achievement in specified academic or professional qualifications which have not previously been considered by CIMA for exemption purposes to receive automatic entitlement to a defined range of exemptions. It will no longer be necessary for students to submit syllabus and examination papers in order to be considered for exemptions, as they will be advised of their exemptions entitlement at the

point of registration. Students will then be able to decide which tuition course to sign up to or which CIMA examination to enter without delay.

Students whose qualifications do not fall within the extended 'blanket' policy will be able to follow CIMA's 'fast track' Foundation level route - computer based assessment (CBA). This allows students to take all 5 Foundation level papers without the constraints of the biannual examination schedule. CBA centres offer easy access to examinations, and results are available immediately on completing the paper. There is no limit on the number of times students may attempt a CBA paper.

For more details about CIMA's current exemptions process visit www.cimaglobal.com/main/prospective/entry/database.htm.

ELECTIONS TO COUNCIL 2003

RETIREMENTS BY ROTATION

Notice is given that, as the term of office of the Council Member in each of the following electoral areas expires at the end of the Annual General Meeting in June 2003, elections will be held in February and March 2003.

Nominations for candidates (Fellows) to fill the vacancies may be made by any six or more members (three of whom must be Fellows) whose official addresses (see Note 1 below) are in the Area concerned.

Area	Current Member
Area 1 Central London and North Thames	GL Babber
Area 2 South West England and South Wales	RC Mitchell
Area 3 East Midlands and East Anglia	M Palmer (Mrs)* PJH Redrup*
Area 4 West Midlands	SM Hoof (Mrs)
Area 5 North East England	A Armstrong (Ms)*
Area 6 North West England and North Wales	F Windsor (Mrs)
Area 7 Scotland	JG Grant
Area 11 Central Southern England	RJJ Davies MA Watson
Area 12 South East England	C Macsween (Mrs)

*Members who have indicated that they do not wish to stand again.

NOMINATIONS

Nomination forms for candidates for election may be obtained from the Head of Secretariat at CIMA, 26 Chapter Street, London SW1P 4NP, or from jackie.holmes@cimaglobal.com. All the Area and Branch Secretaries in the Areas concerned currently hold copies of nomination forms.

BALLOTS

If more than one candidate is nominated for a vacancy, a postal ballot will be conducted. Ballot forms will be sent to each member in the Area(s) concerned. These must be returned, in the envelope provided, to the Electoral Reform Society, by those members who wish to vote, by the due date for receipt of votes. If you would like more information please contact the Head of Secretariat at CIMA.

A BROADER PERSPECTIVE ON REGULATION

TRANSPARENCY IS THE KEY, ARGUES CIMA

The Government must see UK accountancy regulation in the context of the development of international standards in accounting, auditing and ethical matters, and not as a stand-alone issue, according to CIMA.

In its response to the UK Government Review of the Regulatory Regime of the Accountancy Profession, CIMA argues that the Government must get accounting regulation in perspective. This means limiting bureaucracy and concentrating on measures that enhance the UK's effectiveness and efficiency in global markets, when it makes decisions about the regulation of the profession.

CIMA is unique in comparison with other accountancy bodies. It is a specialised business accountancy body that focuses entirely on accountants in business and

even its very small number of members in practice provide services that relate to business success and management rather than any reserved, regulated function.

Welcoming the opportunity to improve the efficiency and cost-effectiveness of accountancy regulation, CIMA's recommendations include:

- Combining the role of the Accountancy Foundation into that of the Financial Reporting Council and transferring to the FRCF the functions of the Boards within the independent regulatory framework
- Transferring the functions of the Ethics Standards Board to the Review Board
- Creating a regime that acknowledges the responsibilities of the professional bodies themselves as regulators of their members
- Improving communication and transparency, including more consultation and ensuring that all meetings are open and papers available
- Recognising that the different needs of the segments of the profession require different arrangements:
 - In particular, for business accountants, review (including the review of ethical arrangements) is the function that is central to the public interest
 - in serious public interest cases, individual company employees should be referred back to their professional bodies' 'reviewed' disciplinary processes.

'Regulation requires a comprehensive approach and an international, rather than little Englander, perspective,' said Charles Tilley, chief executive of CIMA. 'Although the DTI and others are also examining a range of matters, including corporate governance and company law, there is a tendency to see the problems that have arisen as specific to accountants, including auditors, and to see the solution as further regulation of accountants. Strong regulation is welcome, but a broader approach is needed to tackle corporate governance issues.

'Real transparency is also key to success,' he continued. 'We need to establish open communications between the regulator and the profession to achieve common objectives, and a transparent approach to regulation. This is in the public interest and in the profession's interest.'

- CIMA's **Response to the UK Government Review of the Regulatory Regime of the Accountancy Profession** is available free to download from the CIMA website at http://www.cimaglobal.com/downloads/cima_response_070103.pdf

COUNCIL MEMBER REQUIRED

CASUAL VACANCY AREA 4

Notice is given that, as the Council Member in Electoral Area 4 (West Midlands), John Perry, has retired, a new candidate is sought to represent Area 4 on Council. The casual vacancy will be until the close of the AGM 2004, as prescribed by Bye-Law 39(b). At the close of the AGM 2004, the successful candidate may stand for re-election for a further 3-year term, in accordance with Bye-Law 38.

Nominations for candidates to fill this casual vacancy may be made by any six or more members (three of whom must be Fellows) whose official addresses (see note 1 below) are in Area 4.

NOMINATIONS

Nomination forms for candidates, who must be Fellows of the Institute, may be obtained from the Head of Secretariat, Jackie Holmes, at 26 Chapter Street, London, SW1P 4NP or from jackie.holmes@cimaglobal.com. All area and branch secretaries in Area 4 hold copies of nomination forms.

Nominations must be received, on the prescribed form (faxes are acceptable, but must be followed by the original), by the Chief Executive at 26 Chapter Street, London, SW1P 4NP, by midday on Monday 24 March 2003.

BALLOTS

If more than one candidate is nominated for a vacancy, a postal ballot will be conducted. Ballot forms will be sent to each member in the area(s) concerned. These must be returned, in the envelope provided, to the Chief Executive, by those members who wish to vote, by the due date for receipt of votes.

If you would like more information please contact Jackie Holmes
Email: jackie.holmes@cimaglobal.com

NEDS NEED QUALITY INFORMATION

CIMA RESPONDS TO HIGGS REPORT

CIMA warmly welcomes Higgs' report into non-executive directors (NEDs) and commends its recommendations for strengthening corporate governance in the UK. However, it warns that the onus must now be on managers and executive directors to ensure that clear, full and relevant information is provided to NEDs to maximise their effectiveness.

Financial literacy amongst NEDs is crucial if they are to understand and challenge management recommendations and also for audit committees to play a full role in challenging the numbers. It is heartening that the Smith inquiry has recommended that one member of the Audit Committee be a qualified accountant, and CIMA welcomes Higgs' call for specific, in-depth financial training for NEDs.

Improved governance depends on good quality NEDs being available. It is important to think creatively about widening the 'gene pool', but the first step must be to review the risk/reward ratio. A liability cap for all directors would be more attractive to potential NEDs than Higgs' recommendation for professional indemnity insurance, and the Government should consider this issue in the medium term.

The quality of NEDs is a good starting point for corporate governance, but high quality strategic decision making is dependent on robust management information. It is dangerous to over-emphasise governance at the expense of strategy; evidence demonstrates that poor strategic decisions are more likely to reduce shareholder value than any other risk. The power of the independent NED group on the Board will be only as good as the information that they receive.

Charles Tilley, Chief Executive, CIMA, said:

"The Higgs Report is a welcome step forward in the corporate governance debate. It is good to see a large number of good, solid recommendations to improve board performance. We believe that effective-

CIMA

ness would be improved yet further with ongoing performance measurement and a cap on liability to encourage courageous decision making and accountability. The recommendations are backed up by clear, practical guidance to assist in implementation.

"However, for non-executives to function effectively requires more than regulations. It requires good quality information that is relevant, timely and easy to understand. NEDs are only as good as the information they have to work with. Training, including financial literacy training, will improve the ability of NEDs to rigorously challenge decisions and assess the associated risks. But it is up to the executive managers, the chairman and the company secretary to ensure that the information presented to NEDs enables them to see the whole picture, including financial and non-financial issues and risks."

CIMA's response to Derek Higg's consultation paper can be downloaded from www.cimaglobal.com/downloads/cimaresponse.pdf.

MONSTER.CO.UK AND CIMA TAKE RECRUITMENT INTO ACCOUNT

CIMA AND MONSTER.CO.UK NOW OFFER WEB-BASED RECRUITMENT SERVICES

CIMA has today announced a partnership with Monster.co.uk, the UK's leading online recruitment site, which will allow both CIMA-qualified accountants and their prospective employers to take advantage of a single internet resource for job searches and recruitment purposes.

The launch of CIMA's recruitment service, powered by Monster, follows the recent accounting controversies in the US that have caused UK companies to reassess their own finance departments. In the wake of these developments, many companies are reviewing their recruitment policies to ensure that their accountants have the skills, experience and integrity that form an integral part of the CIMA qualification.

"With this new service, we can speed up the recruitment cycle and make things easier for both job seekers and employers," said CIMA CEO Charles Tilley. "It may be a challenge to get a CIMA qualification, but now it's much easier to advertise for CIMA-qualified accountants."

Every CIMA member and student will have free access to the service, and companies seeking CIMA qualified accountants will be able to advertise positions on the site. The Institute also hopes to build up a strong CV database of CIMA qualified and part-qualified accountants. "CIMA's online recruitment service could save companies thousands of pounds on recruiting costs - a financial result that will undoubtedly meet with approval from accountants themselves," commented Joe Slavin, managing director of Monster.co.uk. "The service will also save time for recruiters since Monster's screening tools allow employers to pinpoint CIMA qualified candidates and weed out CVs of unqualified ones," he added. "We predict that demand for the service will be high."

If you would like more information please contact Lottie Muir
Phone: +44 (0)20 8849 2407
Email: lottie.muir@cimaglobal.com



ICAEW SUPPORTS PRINCIPLE-BASED APPROACH TO THE ENFORCEMENT OF ACCOUNTING STANDARDS IN EUROPE

The Institute of Chartered Accountants in England & Wales (ICAEW) has expressed its support for the adoption of a principles-based approach to the enforcement of International Accounting Standards (IAS) throughout Europe.

In its response to the Committee of European Securities Regulators (CESR) consultation paper, *Proposed Statement of Principles of Enforcement of Accounting Standards in Europe*, the ICAEW said that a common approach to the enforcement of international standards was a prerequisite for the successful creation of a single European capital market and strong investor confidence.

The ICAEW strongly endorsed the CESR recognition that Member States should be permitted to adopt different organisational models of enforcement, provided these

operate on the basis of common concepts and comparable techniques. The ICAEW argues that there are no decisive advantages or disadvantages associated with the adoption of a securities regulator model or a review panel model for the enforcement, although it accepts that one national body should have ultimate responsibility for the effectiveness of the enforcement regime.

The Institute also emphasises that enforcement in Europe should be built on effective national enforcement bodies, with decisions co-ordinated at European level to ensure that consistent enforcement takes place in all jurisdictions.

Robert Hodgkinson, ICAEW Director of Technical Strategy, commented: "It is vital that an effective system of enforcement is in place by 2005 to counter the risk

that inappropriate accounting may undermine investor confidence in Europe following the implementation of International Accounting Standards. Companies and other capital market participants should be confident that non-compliance is likely to be detected.

However, the proposed co-ordination mechanism should be flexible enough to embrace all sectors and entities that use IAS, not only listed companies."

NEW ONLINE COMPETITION FOR CHARITIES

The sponsors of the Charities' Annual Reports and Accounts Awards are taking the competition online to encourage better use of the Internet.

The Charities' Online Accounts Awards will seek out the best web-based annual report and accounts from across the non-profit sector. The new competition aims to become a benchmark for good practice by judging accurate financial accounting alongside accessibility, value-for-money and ease of navigation.

The Charities' Online Accounts Awards are jointly sponsored by CAF (Charities Aid Foundation) and the Institute of Chartered Accountants in England and Wales (ICAEW), and have been developed to reflect charities' increasing use of the web as a cost-effective medium to communicate with their stakeholders and beneficiaries.

Graham Ward, a senior partner at PricewaterhouseCoopers, is Chair of the Judging Panel which includes accountancy and communication experts, and the leading authority on charities' use of the Internet, author and publisher of UK fundraising website, Howard Lake.

According to Graham, "To enter the competition, charities must still comply fully with SORP accounting requirements, but online accounts are more accessible, cheaper to produce and can be fully interactive. For a growing number of charities, adapting their accounts for the internet is the natural next step."

Entrants are divided into four categories; those with an income: above £2 million, between £500,000 and £2 million, between £100,000 and £500,000 and under £100,000. A prize of £2,000 will be awarded to the winning charity in each category together with a pass to attend one of CAF's charity conferences and a winner's seal for their website. Runners-up will each receive a certificate of excellence and a seal of recognition to post on their site.

The Charities' Online Accounts Awards kicks off in February 2003 when organisations will be able to enter their online annual report and accounts by emailing their entry form together with a link to their website to events@CAFonline.org/onlineawards. To give charities the greatest chance of success, a dedicated website, www.CAFonline.org/onlineawards carrying the criteria for entry and extensive guidance notes will be available from that time.

PROFESSIONAL STAGE FIRST: FAST-TRACK STUDENT WINS FIRST PLACE ORDER OF MERIT

The Overall Order of Merit and the Plender prize for the professional stage ACA exams is to be awarded to a student training through the AAT-ACA Fast Track route. Twenty-three year-old Alexandra Smith, of PwC in Plymouth, achieved equal first prize and will be the first AAT-ACA Fast Track student to win this award. Tamsyn Williams of KPMG in Crawley, also 23, came joint first.

The Institute of Chartered Accountants in England & Wales introduced the AAT-ACA Fast Track in 2001 to provide a more direct route into chartered accountancy for students that had completed their training with the Association of Accounting Technicians (AAT). Non-graduates taking this route can complete both AAT and ACA qualifications in a period of four years.

Professor Brian Chiplin, Director of Education and Training at the ICAEW, said:

"The students entering the ACA through the Fast Track are of a very high standard and they are a great asset to our membership. I am delighted that such a prestigious award will be made to a student taking this route. It demonstrates the alternative routes into the profession and shows that you do not have to be a graduate to be successful at the ACA."

Orders of Merit are awarded to the highest performing students and at this session the top students came from a wide range of organisations across the industry. The usual representation from the global accounting firms was complimented by a number of prize winners

from smaller accountancy practices and students training with organisations outside of public practice. Awards will be made to students on the order of Merit list on the 8 April 2003.

The ICAEW today (Friday) published the results for the latest sitting of the Professional Stage ACA exams. Students sitting the Audit and Assurance paper did particularly well with a high pass rate of 82% for the paper. The Professional Stage paper pass rates are as follows:

	% Pass Rate
Audit and Assurance	82.2
Financial Reporting	72.4
Business Management	78.3
Accounting	84.4
Taxation	79.5
Business Finance	85.2
AAT Top up	74.3

AUDITOR INDEPENDENCE

The Institute has published two new reports. 'Auditor independence and non-audit services'; and 'Mandatory rotation of audit firms'.

BANK REPORTS FOR AUDIT

To smooth the process of bank reports for audit purposes, the Audit and Assurance Faculty of the Institute has published a Technical Release on the subject, *Audit 3/02 - Bank Reports for Audit Purposes - Explanatory Note*.

This Explanatory Note has been agreed by the CCAB and the British Bankers' Association and has been issued to facilitate the smooth processing of requests for bank reports for audit purposes. It is therefore likely to be highly relevant to most of our practitioner members. In these days of information overload it is inevitable that some technical information is not read as quickly as might be desired but this document affects all practition-

ers who conduct audits and is designed to deal with some of the more common problems experienced by auditors in obtaining responses to requests for bank reports, in accordance with APB Practice Note 16 *Bank reports for audit purposes*.

Banks will accept requests that follow the process set out in the new guidance as of 1 November 2002.

Hard copies can be obtained from the Faculty by telephoning Lucille Good on 020 7920 8493 or by emailing her at lucille.good@icaew.co.uk

SCHOOL GOVERNORS WANTED

Chartered accountants are being invited to become a school governor and make a difference in their community by supporting local schools and playing their part in raising children's achievement, aspirations and expectations.

Chartered accountants have a wide range of transferable skills that can really help to make a difference in schools. Governors focus on issues such as staff recruitment and retention, finance, personnel and the national curriculum. An effective governing body allows the head teacher and staff to concentrate on providing the highest quality of education.

Jules Seeley, a Strategy Consultant in London and a serving governor at Convent of Jesus and Mary RC says:

"I believe there is a desperate need to recruit people with management experience to become Governors, and help support the work that governing bodies do. The governing body was excited to get new views, skills and input and a different perspective on its operations. The governors were aware that business skills would be a valuable addition to the body. I have been able to use my skills in business and finance to help think about potential development / building projects to enhance the school. Being a governor has allowed me to broaden my horizons and perspectives, and allowed me to become involved in a critical area of social benefit - the education of children today. I find this work extremely satisfying and would strongly recommend it to anyone who wants to contribute to society."

Governorship can be a valuable development opportunity as well as personally very satisfying. Individuals develop and acquire new skills and extend the range of their experiences.

Volunteers will be put in touch with local schools that would benefit from their support.

Did you know that

1. Larger secondary schools may have a budget of over £4m and more than 100 staff.
2. That effective governing bodies help the head-teacher and staff provide the highest possible standards of education, and help children realise their aspirations and achievements.
3. That committed individuals with a different perspective and transferable skills from the workplace can be really valuable to a school governing body.
4. That as long as you are over 18 and not legally disqualified, there are no age, gender, nationality or political restrictions on your volunteering to be a governor.
5. That you don't have to be a parent to be a governor.
6. That the School Governors' One-Stop Shop can help you become a governor at no cost to you, your company, or to schools.
7. That a time commitment of as little as 6-8 hours per month will add significant value to a school governing body
8. That governors focus on the future of the school, its ethos and objectives
9. That those who have volunteered through the One-Stop Shop really do see being a governor as a two way process where they gain as well as give.

If you are interested please contact the School Governors' One-Stop Shop on 0870 241 3883 for more information and an application form, or e-mail info@schoolgovernors-oss.co.uk. A completely up-to-date web site can also be viewed at www.schoolgovernors-oss.co.uk. And if you subsequently have any questions please don't hesitate to call and we will do everything we can to answer them.

REGIONAL CEREMONY FOR NEW MEMBERS

A New Members' Ceremony will be held on Thursday evening 13 March 2003 in the North West, at the Imperial War Museum North, near Manchester.

Over 300 attendees are expected, so those who would prefer to attend in the North should "book early to avoid disappointment."

Institute President, Peter Wyman, will address those attending and will personally welcome and congratulate the New Members.

Ceremonies will also be held in London at Chartered Accountants' Hall during 2003 on: 23 April; 30 June; 1 October; and 3 December.

NATIONAL CHARITY INITIATIVE LAUNCHED

Institute President Peter Wyman, has announced the setting up of a new charitable initiative to boost international aid agencies.

He recently launched the first ever ICAEW President's Appeal at the Institute's South West Annual dinner at Somerset County Cricket Club. The funds raised from this appeal will go to the charity Mango. Its role is to apply the accountancy profession's skills and standards to international aid.

Mango works with a number of agencies including Oxfam, Save the Children and Christian Aid, helping them to strengthen the financial management of their overseas programmes.

In what he hoped to be the most important announcement of his Presidency, Mr Wyman said: "Only the business world and the business professions can fully understand the critical role of financial management in aid operations. The public at large does not and so Mango finds it difficult to raise funds from them. This is why Mango needs our support."

Mango's director, Alex Jacobs, who will be attending the launch, commented: "Mango exists to apply the skills and standards of the accountancy profession to international aid. We're delighted the President of one of the world's most prestigious accountancy bodies has chosen to support us and recognises the important contribution

accountants make in the crucial role of providing international humanitarian aid."

There has been a dramatic increase in demand for Mango's financial services from agencies like Christian Aid and Oxfam. It shows how much work there is for accountants to do, when it comes to supporting relief and development projects. Just like in the commercial world, every penny must be properly spent and accounted for."

The work of Mango includes running specialist training courses, placing accountants in the field and publishing guides on accounting for aid agencies.

Mr Wyman intends to raise the awareness of Mango over his coming months in office to generate as much money as possible for the charity.

Mr Wyman added: "Mango has achieved an enormous amount in just three years. Now it needs new resources to support important and carefully planned growth. Its work enhances the efficiency and effectiveness of aid agencies. As a result they achieve more with every pound donated to them."

More information about Mango and how to donate to the charity is available on: www.mango.org.uk

HIGGS AND SMITH REPORTS WELCOMED

Peter Wyman, Institute President, has welcomed the publication of both the Higgs' review of non-executive directors and the Smith report on audit committees as worthwhile and measured contributions to the post-Enron debate.

Wyman commented: "There was always a danger of an over-reaction in the UK to a problem which existed in the US. Both Derek Higgs and Sir Robert Smith are to be congratulated on their sensible and proportionate responses. Their recommendations will improve and build on the UK's combined code, which has worked well in the past."

He continued: "Both reports will effect a significant culture change. Derek Higgs' review, by emphasising an enhanced role for the senior independent director, will bring about a subtle, but important, shift in the relationship between companies and their investors. Similarly, by switching the key audit relationship from executive directors to the independent audit committee, Sir Robert Smith will have done more to enhance auditor independence than any rules-based approach

could have achieved."

Wyman added that the recommendations contained in both reports mirror much of the Institute's thinking. "We now see our role as helping to turn these reports into practical realities. The Institute is examining how we can widen the pool of non-executive directors and provide relevant support for them. We are also planning a number of measures to provide immediate support and guidance to audit committee members."

While broadly welcoming both reports, Peter Wyman sounded a note of caution. "In implementing these changes, care needs to be taken not to undermine the unitary board which has enabled companies to benefit from the commercial experience of knowledgeable non-executive directors. By requiring non-executives to be corporate policemen, companies may find they attract box-tickers, not entrepreneurs, to their boards. This would ultimately be detrimental to company performance and UK competitiveness."

OPERATING AND FINANCIAL REVIEW GUIDANCE

Directors are set to benefit from clear and concise guidance for preparing an Operating and Financial Review (OFR). The OFR, which should present a balanced and understandable assessment of the company's position and prospects, is increasingly becoming one of the key elements of corporate reporting.

The guidance, produced by the Institute of Chartered Accountants in England & Wales, sets out six principles on the process to follow when gathering information for an OFR and explains the reasoning behind these principles. The principles are:

- The OFR is the responsibility of the full Board of Directors
- There should be a formal process for preparing the OFR
- The OFR should be relevant and meet the recommendations of existing pronouncements on content
- The OFR should be an integral part of the corporate reporting process
- The process should involve explicit consideration of whether the OFR content is reliable, balanced and understandable
- There should be continual evaluation and improvement.

This guidance is timely as the Accounting Standards Board has recently revised its Statement of recommended content of the OFR in a move welcomed by the Institute. In addition, the requirement to present an OFR is due to become statutory for major companies under proposals set out in the Government's July 2002 White Paper on Modernising Company Law.

The ICAEW believes that guidance on preparation of the OFR is needed now in view of the current corporate climate, with many Boards reassessing the need for greater transparency in reporting generally. However, in light of the unresolved practical issues for business and the recent reports on audit committees and non-executive directors, this guidance is presented as interim in nature.

Andrew Ratcliffe, Chairman of the working party that produced the guidance for directors, said: "The purpose of this guidance is to assist directors when preparing an OFR. The document includes good practice principles on the process. Our guidance should also assist external auditors in their work who under current Government proposals will be required to report on the directors' processes for preparing the OFR."

To purchase a hard copy of the guidance contact Lucille Good on 020 7920 8493.

THE
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ICAS PUBLISHERS FRAMEWORK FOR AUDIT REGULATION

The Institute of Chartered Accountants of Scotland (ICAS) today called for a new independent organisation, backed by statute, for audit regulation. It also endorsed the introduction of funding arrangements similar to those which operate in the case of the Financial Services Authority (FSA).

In September this year the Government announced a review of the way in which the audit and accountancy professions are regulated in the UK. ICAS committed itself to working with Government to reassess the operation of the Accountancy Foundation and secure its funding.

The Council of ICAS has now looked again at the framework for audit regulation in the United Kingdom, and has unanimously endorsed the following policy:

- There should be a new independent regulatory organisation for auditing.
- The new organisation should be governed by statute.
- The new organisation should be responsible for:
The Registration of company auditors

The monitoring of the performance of company auditors
Enforcement procedures and discipline for company auditors

- The new organisation should be allowed to concentrate its direct efforts on the auditors of listed and other public interest companies.
- The criteria to determine which unlisted companies fall within the public interest arena should be set by the DTI, but the new organisation should also have power to bring any particular entity within its purview.
- The Department of Trade and Industry (DTI) should have powers to designate professional bodies to carry out registration, monitoring and enforcement of the auditors of companies that are not listed or otherwise in the public interest arena.
- The new organisation should have powers to supervise the effectiveness of the designated professional bodies, to make binding directions and to recommend to the DTI that the designation of a body be removed if necessary.

The proposals were first developed in 1995, before the establishment of the Foundation and its related Boards.

They have been carefully re-examined and endorsed by the ICAS Council as Institute policy. The Institute recognises that their implementation will need to take full account of the arrangements currently in place both under the auspices of the Foundation and in relation to audit registration and monitoring.

In July this year the House of Commons Treasury Select Committee

recommended that consideration be given to the introduction of industry funding arrangements for the Accountancy Foundation similar to those which operate in the case of the FSA. In its recent response to the Co-ordinating Group on Audit and Accounting Issues (CGAA) (ICAS response announced in ICAS News Release 05/11/02) the Institute endorsed the introduction of this type of funding.

ENHANCED AUDIT COMMITTEES ARE KEY TO CORPORATE GOVERNANCE REFORM SAYS ICAS

Audit committees operating within a more rigorous and transparent framework are key to improved corporate governance, The Institute of Chartered Accountants of Scotland (ICAS) said today.

The Scottish Institute was responding to the interim report of the Co-ordinating Group on Audit and Accounting Issues (CGAA), aimed at reforming Corporate Governance, which was published in July of this year.

The Institute believes that it is against a background of an increased role for audit committees that the issues of non-audit services and auditor rotation should now be judged.

David Brew, ICAS Chief Executive, said:

“The debate on auditor independence has moved quickly over the last few months. There is now widespread agreement that the audit committee should have a key role in underpinning auditor independence. We believe that our concerns over the adverse effect that the provision of non-audit services has on the perception of auditor independence would be properly dealt with by enhanced audit committees and by implementing through the professional bodies’ ethical codes the EU Recommendation *Statutory Auditors’ Independence in the EU: A Set of Fundamental Principles* .”

According to ICAS, the audit committee should:

- consider the extent to which the auditors should be allowed to tender for a non-audit service
- monitor the level of non-audit services provided by the audit firm to ensure that the independence of the audit firm is not undermined
- formally document its decisions on such matters and
- make a report, within the annual report, in which it discloses the

number (or percentage) of non-audit engagements which the company puts out to tender, the number (or percentage) of non-audit engagements where the auditors are appointed and a description of the services provided.

ICAS has also ensured that those parts of the EU Recommendation relating to non-audit services have been included in new guidance to accompany the Institute’s ethical code. The guidance takes effect from 1 November 2002.

The Institute sees the enhanced audit committee also playing an important role in making the annual recommendation to shareholders on the appointment of auditors.

The ICAS Chief Executive said:

“We do not believe that the corporate governance framework would be improved by the introduction of mandatory rotation of audit firms. Instead, in order to make its annual recommendation to shareholders on the appointment of auditors, ICAS believes that the audit committee should carry out an annual review of the audit process, the effectiveness and performance of the audit team, and the output, quality and cost effectiveness of the audit.

“Within the first few years of an audit firm being appointed, there is likely to be a presumption that the audit firm should be retained, provided rigorous performance standards set by the audit committee are achieved. ICAS recommends that after the audit firm has been in place for five years the emphasis should change. Even though the audit firm may still achieve the rigorous performance standards, the Institute believes that the committee’s recommendation to the board and the shareholders should explain why it is proposed that the audit firm should be retained for another year as opposed to putting the engagement out to tender.”

ICAS CALLS FOR A MORE THOROUGH CORPORATION TAX CONSULTATION

The Institute of Chartered Accountants of Scotland (ICAS) has responded to the Government’s recent proposals to reform Corporation Tax by calling for a more thorough consultation over an extended period of time.

In a letter to the Inland Revenue, the Scottish Institute supports plans to reorganise the outdated ‘schedular system’ of tax but suggests that no changes should be made until 2004

at the earliest, and calls for widespread consultation and an equitable transition.

Renewing its call for simplification of the tax system, ICAS warns the Inland Revenue against a hurried approach, and stresses that certainty and fairness are also important. ICAS strongly supports closer alignment of accounting and taxable profits. However, the Institute expresses concern that some

aspects of the Government's proposals might seriously disadvantage some companies.

Ian Dewar, Convener of the ICAS Taxation Committee said:

"We actively support changes that will result in a simplified tax system. However, we disagree with the proposal that companies should be taxed on unrealised gains on the revaluation of assets. This would result in a damaging cash drain on the corporate sector."

The Institute also questions proposals to develop

fundamentally different principles for measuring taxable profits in companies and unincorporated businesses.

Mr Dewar added:

"These changes will create further confusion for businesses facing the already incomprehensible decision whether to incorporate or not. The proposals place an unfair and unnecessary burden on small and medium sized businesses. An equitable tax system should involve taxing all businesses on a comparable basis."

ICAS WELCOMES CIS REFORM

The Institute of Chartered Accountants of Scotland (ICAS) today welcomed the announcement of reform of the Construction Industry Scheme (CIS), which aims to reduce the regulatory burden on construction businesses.

The Scottish Institute highlights the fact, that earlier this year ICAS had recommended several improvements to the CIS procedures after it became clear that the Inland Revenue was responsible for many difficulties arising on the renewal of certificates for gross payment.

Ian Dewar, Convener of the ICAS Tax Committee said:

"The Institute is committed to working together with the Inland Revenue and industry to ensure that everyone pays the right amount of tax by the most practical means.

"These proposals will promote certainty without loss of security and should reduce the burdens and cost to business, where payment is appropriate."

ICAS JOINS INTERNATIONAL INNOVATION NETWORK

Scots CAs will be even better placed to meet the needs of business, The Institute of Chartered Accountants of Scotland (ICAS) said today.

The Scottish Institute, along with around 20 other accountancy institutes from around the world, has joined as a Charter Member of the International Innovation Network (IIN).

At its inaugural meeting in New York, the IIN discussed ways in which collaboration and innovation on various leading edge products and services would help professional accountants better meet the needs of today's business.

The objective of the IIN is to provide leadership in developing and sharing ideas for innovative products and services. The organisation will act as a vehicle for collaboration between IIN members to develop new commercial products and services and to market those products and services to professional accountants in public practice, indus-

try and government under a common Innovation Products brand.

Alasdair Young, ICAS Director of Members' Services said:

"The accounting profession is increasingly being asked by business to take on different types of engagements to keep pace with the evolving knowledge-based economy. Innovation means looking at the existing scope of services accountants currently offer and determining where we can add more value.

"The collaborative efforts, shared experiences and pooling of knowledge in the IIN will help ICAS members respond more effectively to changes in business. An exciting new development of major benefit to clients is benchmarking software which is currently available to ICAS firms. ICAS is now promoting this software through the IIN."

PUBLICATIONS FROM THE TREASURY

Below are details of recently produced publications etc from the Treasury, which you may find informative or useful.

Remember some of these documents are available on the Treasury gsi site <http://www.hm-treasury.gsi.gov.uk/> and WGA public site <http://www.wga.gov.uk/pages/guidance.html>

If you are aware of a particular source of papers not being covered let the editor know.

Date Issued	Issued by	To	Subject
CA			
8 Nov	Chris Ruston (CA)	RABIG	RABIG(2002)37: Amendements to central government accounting guidance for 2002-03 – this letter covers the 4th batch of amendments to the 2002-03 versions of the Resource Accounting Manual (RAM) Executive NDPB Accounting Guidance, and Trading Fund accounts guidance.
11 Nov	Nick Bailey (CA)	Principal Finance Officers (PFOs)	PFO letter MS PFO(02)41: Review of Trading Fund Policy – this letter advises departments of a review of TF policy and seeks comments to a questionnaire.
14 Nov	Sue Gamble (CA)	RABIG	RABIG(2002)38: Note of the Outcome of the 4 November meeting of the Financial Reporting Advisory Board (FRAB).
14 Nov	Sue Gamble (CA)	RABIG	RABIG(2002)39: Post- Mortem on the 2001-02 versions of the central government accounting guidance issued by the Treasury – this letter seeks views on the 3 accounting guides for 2001-02.
25 Nov	Sue Gamble (CA)	RABIG	RABIG(2002)40: The Super RAM – this letter sets out proposals for the development of a 'super' RAM.
28 Nov	Larry Pinkney (CA)	RABIG	RABIG(2002)41: Disclosure of Company Directorships and other Significant Interests held by Board members – this letter proposes amendments to central government accounting guidance from 2003-04 of these disclosures.
2 Dec	Sue Gamble (CA)	RABIG	RABIG(2002)42: The Super Resource Accounting Manual (RAM) – Inclusion of Descriptions of Financial Reporting Standards (FRSs) – this letter seeks views on the level of detail to be provided on the content of extant accounting standards. Comments were requested by 3 January .
FMRA			
13 Dec	Sir Andrew Likierman (FMRA)	PFOs	MS PFO(02)47: Faster Closing – the Next Steps – this letter covers the latest guide in the <i>Managing Resources</i> series and asks for proforma plans to be submitted to the Treasury for achieving faster closing. The date for responses is 17 January 2003 .
GEP			
27 Nov	Adam Sharples (TOA) (TOA)	PFOs	MS PFO(02)46: SR2002 – Changes to the Cost of Capital Charge and Provisions – this letter confirms a change in the rate of the cost of capital charge and discount rate for provisions from 6 per cent to 3.5 per cent.
17 Dec	Adam Sharples (TOA) (TOA)	PFOs	MS PFO(02)48: Departmental Investment Strategy – this letter covers copies of the DIS White Paper.
TOA			
31 Oct	Brian Glicksman (TOA)	Accounting Officer (AOs)	Dear Accounting Officer (DAO) letter DAO(GEN)20/02 – Analysis of Frauds Reported to HM Treasury 2001-02 – this letter covers the latest fraud report.
11 Dec	Rob Molan (TOA)	Accounting Officer (AOs)	Dear Accounting Officer letter DAO(GEN)22/02: Disposal of Surplus Land and Property within the Public Sector – this letter reminds departments of the terms of Chapter 24 of <i>Government</i>

Date Issued	Issued by	To	Subject
13 Dec	Brian Glicksman (TOA)	Accounting Officer (AOs)	Accounting in relation to such disposals. DAO(GEN)19/02: Changes to the Reporting of Contingent Liabilities in Departmental Resource Accounts – this letter advises departments of the requirement to include a revised not in their resource accounts from the 2002-03 financial year.
WGA			
22 Nov	Ian Carruthers (WGA)	Consolidation Managers	Dear Consolidation Manager (DCM) letter DCM 7/02: Central Government Accounts (CGA) – Milestone 3 – this letter provides a reminder to departments of deadlines and completion procedures for Milestone 3, plus details of a review of the Standard Chart of Accounts (SCA).

DIARY DATES

MARCH							
3-5	Resource Accounting & Budgeting	CMPS	Sunningdale	9	Financial Awareness	ICAEW	Central London
4	Fraud	ICAEW	Central London	9	Presenting Financial Information	ICAEW	Central London
4-5	Making Successful Presentation	ICAEW	Central London	9-11	Effective Presentation	CMPS	Sunningdale
4-5	Understanding Accounts & Budgets	ICAEW	Central London	11	VAT Update	AAT	Southampton
6-7	Update for the Accountant in Industry & Commerce	ICAEW	Harrogate	14	Training the Risk Manager	CIPFA	York
7	How to manage a Service Review	IPF	Edinburgh	15-16	Building a Balanced Scorecard	CMPS	Sunningdale
7	Intellectual Capital & Knowledge Management	DSFM		25	VAT Update	AAT	York
7-14	Continuing Professional Development (Series 2)	DSFM		28-30	Introduction to budgeting	CMPS	Sunningdale
10	Working with ACAS Code of Practice	DSFM		30	Financial Aspects of Sponsoring NDPB's	CMPS	London
10	Employment Tribunals	DSFM		30-1	Career Development for Senior Woman Managers	CMPS	London
10-12	Government Accounting	CMPS	Sunningdale	MAY			
11	Business Process Mapping	ICAEW	Central London	1	The role of auditors in identifying rogue trading	ACCA	London
11	Management Accounting in Action – Case Study Approach	DSFM		1-2	Corporate Finance	ICAEW	London
11	Tax Update for the Accountant in Industry	ICAEW	Central London	2	People Management	ACCA	London
12	Advanced Presentation Techniques	ICAEW	Central London	7	Intervention Does it Work?	CIPFA	London
12	Investment Appraisal Advanced	DSFM		8	The Finance Bill	ACCA	Brighton
13	Pension Schemes	ICAEW		8	European Funding Regulations	CIPFA	Belfast
14	Self Incrimination – Right or Wrong	DSFM		12	The Balanced Scorecard	ICAEW	London
17	Audit & Accounting Update	AAT	Ipswich	12-13	Making an Acquisition	ICAEW	London
17-18	Introduction to Government Finance	CMPS	Belgrave	13	Accounting Standards Update	ACCA	Newcastle
18	Introduction to VAT	ACCA	London	14	VAT Awareness	CIPFA	Belfast
19	Resource Budgeting	CMPS	London	15	5th Special Investigations Conference	HM Treasury	Strand, London
20	Accounting standards & Reporting Requirements	ICAEW	Central London	15-16	Basic Book Keeping	ICAEW	London
20	Fraud Management Toolkit	ACCA	London	19	Budget Update	ACCA	Shenfield
21	Faster Financial Closing	ICAEW	Central London	22	Money Laundering	ICAEW	London
21	Faster Financial Closing	ACCA	London	APRIL			
25	Introduction for Accountants in Government	CMPS	London	4	Business Process Mapping	ICAEW	North West
26-28	Finance for Non Financial Managers	CMPS	Sunningdale	4-5	Assertiveness at Work	CMPS	London
APRIL				5-6	Introduction to Government Finance	CMPS	London
1	Getting to Grips with the FRSSE	ICAEW	Central London	9-11	Resource Accounting & Budgeting	CMPS	Sunningdale
1	International Accounting Standards	ICAEW	Solihull	16-18	Resource Accounting & Budgeting	CMPS	London
2	Tax & Budget Update 2003	CIMA	Maidstone	19	Money Laundering	ICAEW	Solihull
2-3	Making Successful Presentation	ICAEW	Central London	20	Key Developments in Management Accounting	ICAEW	London
4	Key Persuasive Techniques for Accountants	ICAEW	Stratford upon Avon	25-27	Effective Presentation	CMPS	Sunningdale
4	Accounting Standards Update	ACCA	London	30	Introduction to Foreign Exchange	DSFM	
7	Management Accounting Blues	CIMA	Albourne	30	Continuing Professional Development (Series 3)	DSFM	
7	Finance for non-finance Managers	CIPFA	Belfast	APRIL			
7-8	Assertiveness at Work	CMPS	London	10 & 11	Trainee Conference*		York
8	Advanced Presentation Techniques	ICAEW	Central London	23 & 24	HOAP conference		Sundridge Park
8	Developments of Accounting Standards	CIMA	Croydon, Surrey				
8-9	Introduction to Government Finance	CMPS	London				

*Information to Heads of Profession after Easter

PLEASED WITH YOUR RESULTS?

If you are let Daljit know as he will be gathering together details of achievements for publication in the next edition, so if you want to let colleagues in other departments know how you got on this is your opportunity to have your name in print.

Contact Daljit on 020 7270 1750, Fax 020 7270 4545 or via
E mail daljit.singha@hm-treasury.gsi.gov.uk

SORRY!

Congratulations go to Jacqueline Morlese, Office of National Statistics
- for passing the ACCA Part 2.4 Taxation Paper in June 2002.

Recruitment Update

Closing Date	Dept	Grade/ Level	Job	Location	Press/ Trawl	Appointee
	Dept of Transport	SCS	Director of Finance	London	Press	Ken Beeton
28.8.02	NHS Counter Fraud Service	HEO	Counter Fraud Specialist (2)	Newcastle & London	Press	Successful names not provided
27.8.02	HM Customs & Excise	Grade 7	Senior Business Manager	London	Press	Successful name withheld
2.9.02	National Probation Service	Grade 7	Risk Manager	London	Press	Successful security clearance awaited.
2.9.02	National Probation Service	SEO	Senior Management consultant	London	Press	Successful security clearance awaited
2.9.02	National Probation Service	Grade 6	Financial Information & Systems Accountant	London	Press	Unsuccessful
2.9.02	National Probation Service	HEO	Trainee Accountant	London	Press	Successful security clearance awaited
2.9.02	NHS Chelsea & Westminster Hospital	Grade 7	Assistant Director of Finance	London	Trawl	Successful name withheld
6.9.02	DEFRA	SEO	Finance Co-ordinator	London	Trawl	Information not provided by department
6.9.02	NHS SE Herts	SEO	Systems Accountant	Welwyn Garden City, Herts	Trawl	Information not available
9.9.02	HM Treasury	SCS	Managing Director	FRID – London	Trawl	John Cunliffe
9.9.02	DWP Benefit Fraud Inspectorate	G6; G7; SEO; HEO	Programme Manager, Inspection grades	London; Edinburgh, Newcastle or Harrowgate	Press	Successful name withheld
11.9.02	Inland Revenue	Band C1	Management Accountant	Worthing, Sussex	Trawl	Information not provided by department
12.9.02	DOH Modernisation Agency	SEO	Management Accountant	Leicester	Press	Information not provided by department
13.9.02	HMT (DART)	Grade 6/7	Head of DART	London	Trawl	Mal Singh
20.9.02	The Insolvency Service	EO	Insolvency Support Officers	London	Trawl	Fahmida Begun Haley Phillips Ashley Wakeman Abul Hashath
20.9.02	FCO	Senior Manager Grade 6	Senior Management Accountant	London	Trawl	Successful name withheld
20.9.02	The Rent Service	EO Junior Manager	Finance Officer	London	Trawl	Genstacia Bull
23.9.02	HM Land Registry	EO Junior Manager	Agency Estates Administrator	London	Trawl	Kay Law
23.9.02	OFT	HEO	Management Accountants (2)	London	Press	Soman Senthoooran
24.9.02	The Charity Commission	SEO	Head of Registration	London	Trawl	Post withdrawn
25.9.02	Office for National Statistics	HEO	Co-ordinator – Finance & Procurement	London	Trawl	Successful name withheld
27.9.02	Food Standards Agency	HEO	Payroll Manager	London	Trawl	Information not provided by department
27.9.02	DOH	2 Posts HEO	Deputy Section Head	Leeds	Trawl	Information not provided by department
27.9.02	UK Passport Service	HEO	Finance Manager	Durham	Trawl	Nicholas Ross
27.9.02	DFID	Senior Manager (6)	Senior Financial Manager	London	Press	Successful name withheld
30.9.02	Office of the Rail Regulator	Senior Manager 6/7	Head of Finance	London	Trawl	Brian Warrenner
30.9.02	Highways Agency	2 HEO	Local Business Management Team	Birmingham, Manchester	Trawl	Successful name withheld
30.9.02	Serious Fraud Office	HEO	Assistant Management Accountant	London	Trawl	Andrew Grimley
Sept'02	Office of Fair Trading	HEO	Financial Accountant	London	Press	Information not provided by department

Recruitment Update

Closing Date	Dept	Grade/ Level	Job	Location	Press/ Trawl	Appointee
3.10.02	DSTL (MOD)	HEO	Management Accountant	Hampshire	Press	David Field
7.10.02	CIPFA	Senior Manager (6)	Technical Manager	London	Website	Catherine Park
4.10.02	LCD	SEO	Head of Accounting	London	Trawl	Gary Smith
5.10.02	Cabinet Office	EO Jun Man	Finance Assistant	London	Trawl	Information not provided by department
7.10.02	FCO	Grade 7	Various Accountancy Vacancies	London		Successful security clearance awaited
11.10.02	OGC Buying Agency	EO Junior Manager	Financial Accounts supervisor	Liverpool	Trawl	John McLachlan
11.10.02	The Charity Com	HEO	Senior Accountant	London, Liverpool or Taunton	Press	Kevin Hall
11.10.02	NHS – Chelsea & Westminster Healthcare	SCS	Finance Director	London	Press	Information not available
14.10.02	SFO	Grade 7	Principal Finance Investigators and Senior Financial Investigators	London	Press	Collin Belcher Julia Ambler Paul McManus Roger Clarke John Bowden
18.10.02	MOD	SEO (2)	Management Accountant Resource Management Accountant	Cambridgeshire	Press	Unsuccessful
18.10.02	CPS	Grade 7	Accountant Casework Directorate	York	Press	Recruitment exercise not yet finalised
18.10.02	GCHQ	SEO	Various Accountancy Vacancies	Cheltenham	Trawl	Six posts filled – security clearance awaited
18.10.02	Assets Recovery Agency	SEO	Interim Finance Officer	London	Trawl	Information not provided by department
18.10.02	English Institute of Sport	SEO	Senior Accountant	Manchester	Press	Information not provided by department
18.10.02	NHS Agency Internal Audit	Various grades	Various Accountancy Posts	Liverpool/Chester	Press	Information not available
25.10.02	DOH	HEO	Finance Project Support Manager	London	Press	Unsuccessful
25.10.02	LCD	HEO	Finance and Performance Manager	London	Trawl	Matthew Daly
25.10.02	NHS – Royal Marsden Hospital	Grade 7	Assistant Director of Finance	London/Sutton	Press	Information not available
25.10.02	Assets Recovery Agency	SCS	Assistant Director	Belfast, NI	Press	Information not provided by department
28.10.02	Greater London Magistrates Court Authority	Grade 7	Various Posts	Central London	Press	Information not available
30.10.02	National Criminal Intelligence Service	Senior	Head of Management Accounts	London	Press	Information not provided by department
30.10.02	The Insolvency Service	EO	Trainee Accountant	London	Trawl	Navnit Savjani
8.11.02	Passport and Records Agency	SEO &	Head of Financial Accounting Head of Business Assurance	Durham London or Durham	Trawl	Successful names withheld
1.11.02	NHS Trust – Whipps Cross	HEO	Accounts Payable Supervisor	Loughton Essex	Press	Information not available
1.11.02	DCMS	SEO	Accountancy Advisor	London	Trawl	Robert Boyle
1.11.02	Government Car & Despatch Agency	SEO	Principal Accountant	London	Press	Information not provided by department
7.11.02	National Probation Service	Grade 6	Head of Financial Information Services	Liverpool, Merseyside	Press	Paul Gotts
8.11.02	Gov Office for the East of England	Grade 7	Audit & Finance Manager	Westbrook, Cambridge	Press	Information not available
8.11.02	NHS National Blood Service	SEO	Management Accountant	Colindale or Bristol	Press	Successful name withheld
11.11.02	DOH – North	Grade 7	Finance Managers	Leeds and Manchester	Press	Information not provided by department
11.11.02	Royal Parks Agency	SEO	Works Project Manager	Hyde Park, London	Trawl	Successful appointment not yet finalised
13.11.02	DCMS	Grade 7	Head of Arts Finance	London	Trawl	Grace Carley
13.11.02	Rural Payments Agency	SEO	Exchequer Accountant in the Financial controls Division	Reading	Trawl	Successful appointment not yet finalised
14.11.02	East Coast Audit Consortium	SEO	Audit Manager	Lincoln	Press	Information not available
15.11.02	HM Prison Service	Grade 7	Head of Finance	Haslar IRC & HMP Kingston	Press	Dennis Hanham

Recruitment Update

Closing Date	Dept	Grade/Level	Job	Location	Press/Trawl	Appointee
15.11.02	The Court Service	SEO	Financial Development Accountant	London	Trawl	Mark Woodward
15.11.02	OGC Buying Solutions	Grade 7	Financial Controller	Liverpool	Trawl	Successful appointment not yet finalised
15.11.02	The National Assembly for Wales	HEO Various	Internal Auditors & IT Auditor Posts	Cardiff, Wales	Trawl	Successful names withheld
19.11.02	The Assets Recovery Agency	HEO to Grade 6 Various	Financial Investigators	London and Belfast	Press	Information not provided by department
22.11.02	The Charity Commission	Grade 6	Charity Commissioner	London, Liverpool, Taunton	Press	Information not provided by department
22.11.02	MOD	HEO/SEO	Workshop Finance Managers (2)	Essex, Hampshire	Press	Successful names withheld
22.11.02	The House of Lords`	HEO	Part qualified Systems Accountant	London	Trawl	Nigel Root
26.11.02	Small Business Service	SEO	Deputy Accountant	London	Trawl	Rick Bowman Francis Walsh
27.11.02	House of Commons	SEO	Assistant Accountant	London	Trawl	Samir Rao David Laryea
29.11.02	Lord Chancellor's Department	SEO	Accounting & Finance	Officer	London	Trawl Yemi Anyakude
29.11.02	TSO Treasury Solicitors Dept	SEO	Finance officer	London	Trawl	Interviews pending

Future Conference Dates



15th May 2003

Special Investigations Group Conference
Inland Revenue Somerset House

10th - 11th July 2003

Government Accountancy Service
Conference Trainee Conference - York

23rd - 24th July 2003

Heads of Accountancy Profession/Senior
Professionals - Sundridge Park

13th - 14th November 2003

Government Accountancy Service
Conference - York

Further details will be available in due course via HOAP's and Senior Professionals or contact Daljit Singha at the DART team on 020 7270 1750 or email daljit.singha@hm-treasury.gsi.gov.uk

TECHNICAL UPDATE NO.30

The Public Audit Forum (PAF) has published a paper *The Whole Truth: Or Why Accruals Accounting Means Better Management*. The paper provides a review of the benefits of accruals across the public sector as a whole, with case studies, identifies barriers to success and how they can be overcome, and considers the role that auditors can play in promoting change. Copies are available at www.public-audit-forum.gov.uk.

The Treasury published the latest 'Managing Resources' guide, dealing with Faster Closing. Copies are available from Anne Perryman at anne.perryman@hm-treasury.gov.uk.

Except where indicated otherwise, ASB publications can be obtained from:

ASB Publications
145 London Road
Kingston-upon-Thames KT2 6SR

Details of ASB documents and other material are available at <http://www.asb.org.uk>.

PUBLICATIONS

FRED31: Share-based payment

The published FRED, presents proposals for a UK accounting standard based on the IASB's ED 2. Comments on proposals are requested by 7 March 2003 by both the ASB and IASB.

Invitation to comment can be accessed at www.asb.org.uk or The downloaded from the IASB website at www.iasb.org.uk.

Amendment to FRS17 'Retirement benefits'

The ASB announced it would be issuing an amendment to FRS17 to extend the transitional arrangements in the standard.

In central government sector, FRS17 is being adopted in line with the timetable originally set out in the standard for 2003-04 accounts.

UITF Proposed Abstract 'Contract for Sales of Capacity'

This abstract specifies the transaction should be reported as the immediate sale of an asset, as well as when any gains and losses should be recognised.

Copies are available from the ASB website at www.asb.org.uk/uitf.

Consultation Paper 'Business Combinations'

The Treasury's view is that this will not have a major impact on central government. The ASB highlighted a number of reservations:

- The requirement to use acquisition accounting for all business combinations;
- The proposal that goodwill would never be amortised, but subjected to an impairment test;
- The likelihood that more intangible assets than at present will be recognised when they are acquired either individually or in a combination; and
- A lack of symmetry in the treatments of goodwill and intangible assets.

Comments are requested by 4 April 2003.

UITF Information Sheet No.57

This announced the withdrawal of UITF Abstract 10 'Disclosure of Directors' Share Options'.

UPDATE: ASB

Business Combinations

IASB Business Combinations project: Phase 2

Phase 2 has concentrated on issues related to the application of the purchase (acquisition) method. No work has yet been undertaken on the so-called 'fresh start' accounting that is expected to cover business combinations involving entities under common control (this is relevant to central government).

Derecognition of financial instruments

The Board has considered derecognition proposals of the revisions to IAS39 Financial Instruments: Recognition and Measurement discussed in FRED30.

The IASB has opted for a 'third way' and proposed a so-called 'continuing involvement' approach.

Publication of Pensions Research Accounting Group (PRAG) Statement of Recommended Practice (SORP)

The Board has approved for publication a revised SORP Financial Reports of Pension Schemes developed by PRAG. PRAG is taking this forward and proposes to issue a discussion paper.

Lease Accounting

The Board has been considering the IASB's lease accounting project aimed at developing a single method of accounting for leases.

The implementation of a components approach will raise some challenges and further work is needed.

Operating and Financial Review (OFR)

The Board approved the publication of a revised OFR.

FRED30: debt/equity split

The Board has been considering the UK responses to FRED30 on:

- The classification of financial instruments between equity and liabilities; and
- The offsetting of balance sheet debits and credits.

Update: PSNC

Charities SORP Update Bulletin

The Board has considered the Charity Commission's proposed Update Bulletin to its 2000 SORP. The Bulletin deals with the issue of FRSs 17-19, plus UITF Abstracts issued since October 2000. The Board has approved the Bulletin for publication.

International project on revaluation

The PSNC has been updated on the progress of the revaluation project being carried out by a number of international accounting standard-setters (including the ASB).

The IASB has asked the ASB to develop proposals for amendments to IAS16 Property, Plant and Equipment.

IFAC PSC Steering Committee on Non-exchange revenue

The Steering Committee has been established by the PSC with the ultimate objective of developing an International Public Sector Accounting Standard (IPSAS) on non-exchange revenue, with an Invitation to Comment to consider at the next meeting in February 2003.

Statement of Principles for the Public and Not-for-Profit Sectors (SoP NFP)

The PSNC has considered a first draft of a DP of the proposed SoP NFP, and the aim is for publication in early 2003.

HE/FE SORP

The PSNC has been updated on revised membership of the HE/FE SORP Board, with new terms of reference that includes a specific responsibility to review the SORP annually. It has also discussed a draft updated HE/FE SORP. This is designed to take account of FRSs 17-19 and recent UITF Abstracts.

The Board considered a proposed ED of updated HE/FE SORP for approval to publish.

'One-stop shop' Financial Reporting Standard for Smaller Entities (FRSSE)

The Board has considered a draft of a consultation paper prepared by the Board's Committee on Accounting by Smaller Entities (CASE) on the proposal for a 'one-stop shop' FRSSE.

Heritage (historic and inalienable) assets

The ASB has expressed a firm view that it is not persuaded that it needs to change its mind that such additions should be capitalised and recognised on the balance sheet, although it will review any evidence put to it.

Reporting Financial Performance

The Board discussed an early draft of an ED of a proposed IFRS on performance reporting, for a single statement of financial performance.

The draft proposes that all income and expenses be presented in one of three categories:

- Business;
- Financing; and
- Tax;

The ASB and IASB will discuss further proposals with preparers and users.