Apprenticeships

Higher Apprenticeships

Professional Services Higher Apprenticeship

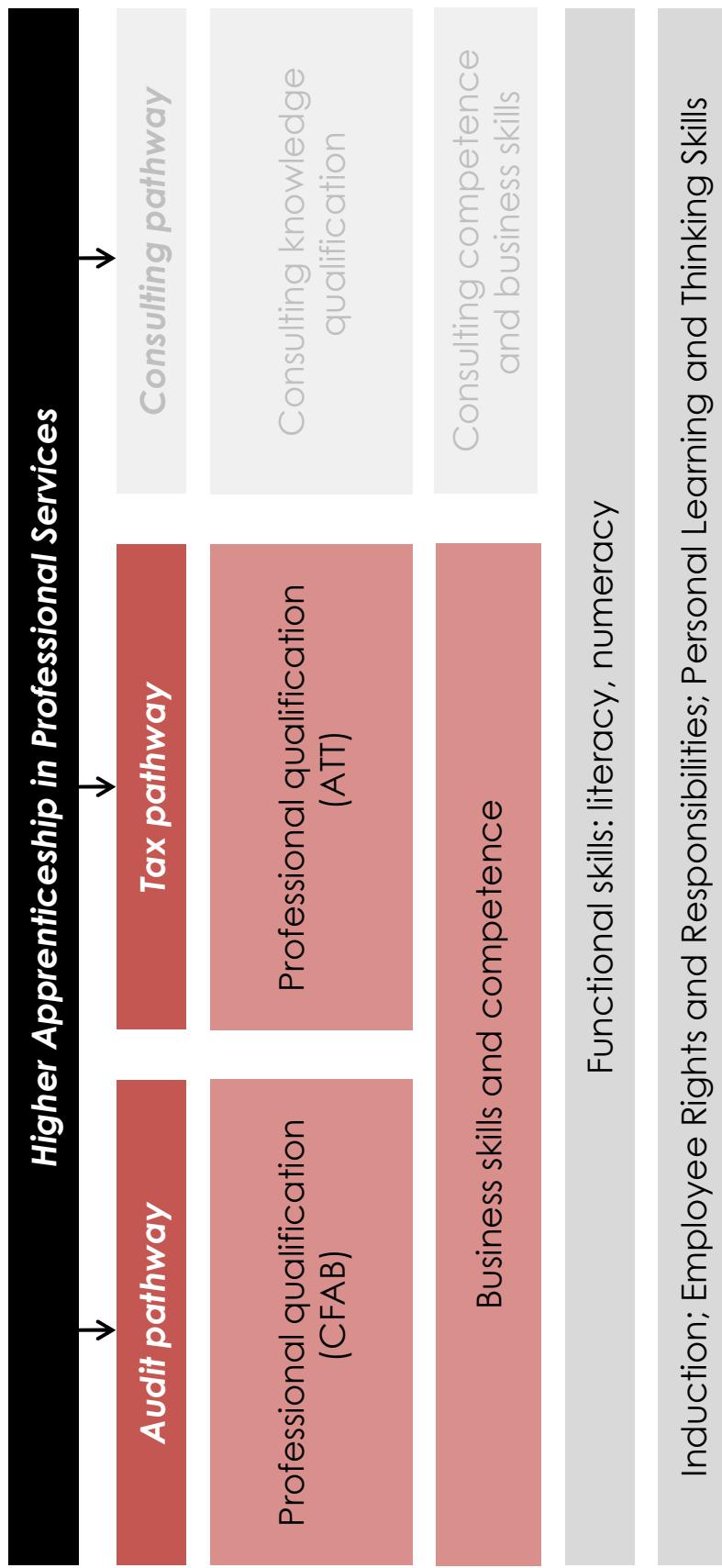Framework summary part 2: Audit and tax pathways

June 2012

Professional Services Higher Apprenticeship
The proposed Framework: Audit & Tax

Professional Services Higher Apprenticeship
Framework overview

The new framework includes distinct pathways for each of the audit, tax and management consulting pathways. Each pathway included a combination of technical knowledge and competence requirements...

Higher Apprenticeship in Professional Services

Audit pathway	Tax pathway	Consulting pathway
Professional qualification (CFAB)	Professional qualification (ATT)	Consulting knowledge qualification
Business skills and competence		Consulting competence and business skills

Functional skills: literacy, numeracy

Induction; Employee Rights and Responsibilities; Personal Learning and Thinking Skills

Audit & tax pathways
What is the professional qualification content?

Professional qualification components have been designed to provide Apprentices with the knowledge they will need to do their jobs, along with clear progression routes to Chartered status.

Audit pathway	Tax pathway

Standard programme

- CFAB qualification, consisting of the following papers:
  - Accounting
  - Assurance
  - Management information
  - Law
  - Principles of taxation
  - Business & finance

- ATT qualification, consisting of the following papers:
  - Personal taxation
  - Business taxation & accounting principles
  - Law e-assessment
  - Professional responsibilities & ethics e-assessment
  - Business compliance (option – see below)

Options

- Employers may choose to register Apprentices as ACA students, with the effect that their employment will be automatically counted towards ACA time qualification requirements
- Employers may also choose for their Apprentices to take more advanced ACA papers during the period of the Apprenticeship

- The ATT business compliance paper may be substituted by any of the following optional papers:
  - Corporate taxation
  - IHT, trusts & estates
  - VAT
- Employers may also choose to substitute CFAB for ATT if this better suits their business needs

Audit & tax pathways
What wider skills & competencies are accredited?

Technical skills	Management of own performance	Business skills & commercial awareness	Communication skills
• Apply employer's methodologies/ approaches to audit/tax • Keep up to date with regulatory/technical updates	• Evaluate and improve own performance • Time management • Team work	• Effective meetings • Commercial awareness • Internal financial management • Working on client site (audit only) • IT skills	• Planning communications • Written communication • Verbal communication • Presentation skills

Audit & tax pathways
How will assessment work?

Section	Assessment approach
Induction	Not assessed Checklist for employer to confirm each item covered
CFAB	Standard CFAB papers (set and assessed by ICAEW)
ATT	Standard ATT papers (set and assessed by ATT)
Manage own performance **Business skills & commercial awareness** **Communication skills** **Technical skills (audit)** **Technical skills (tax)**	Work based assessment: • Individual learning plan developed with employer and training provider to plan where in their work the Apprentice will have opportunity to demonstrate the relevant skills • Portfolio of evidence built up under oversight of learning mentor, who should conduct the bulk of assessment of competence. This should normally align with employers' own performance appraisal systems / any training record requirements of the Institute concerned • Periodic visits by training provider to standardise assessment based on evidence (portfolio, feedback from colleagues, direct observation, etc) • Training providers to provide support/guidance to employers as required

Audit & tax pathways
What are the job roles and entry criteria?

	Audit route	Tax route
Job title	• External/internal audit trainee/assistant/junior	• Tax trainee/assistant/junior
Responsibilities	• Assist in conduct of external/internal audits • Understand basics of client's business • Carry out sections of an audit such as checking financial records, reviewing assets, stock counts, collating company information and testing controls • Document findings and communicating with client and senior team	• Assisting in the preparation of tax returns • Assisting in the completion of various tax forms • Dealing with client communications in respect of their tax affairs • Preparation of simple accounting statements • Carry out research to support tax work • Contribute to a range of tax advice to clients

Entry criteria	• We propose that entry requirements should be left to employers' discretion, rather than setting any absolute requirements. However, employer criteria are expected to be around the following to support successful completion of the Framework and due to the competitiveness of the sector:
	  • 5 GCSEs at grade C or above (or equivalent) including Maths and English
	  • 220-260 UCAS points or equivalent work experience (which might include an earlier Apprenticeship)
	  • Good communication skills
	  • IT literacy
	  • Desire to develop an audit/tax career	

All pathways
How will underpinning requirements be met?

Literacy/numeracy	IT skills	Employment rights & responsibilities	Personal learning & thinking skills
It is expected that most Higher Apprentices will already have qualifications meeting the requirements for literacy and numeracy. If they do not, they will need to take one from each of the following lists. Literacy • Functional skills qualification in English (level 2) • GCSE in English (grade C+) • A or AS level in English or English literature (grade E+) Numeracy • Functional skills qualification in Mathematics (level 2) • GCSE in Mathematics (grade C+) • A or AS level in Mathematics (grade E+)	ICT functional skills are included within the competency qualification of the Framework so separate functional skills qualifications are not required.	Apprentices are required to gain an understanding of employment rights & responsibilities (ERR) e.g. statutory rights & responsibilities, expected behaviour at work, etc. We propose that this is delivered via the FSP Apprentice Workbook (available from the FSP website) which provides a simple way for Apprentices to work through the content. This might appropriately be delivered during induction as it will build upon and complement many employers' in-house induction and compliance training.	Apprentices are required to demonstrate a set of personal learning and thinking skills (PLTS) e.g. Independent enquiry, team work, reflective learning. PLTS are covered within the qualifications in the Framework, and so it is not intended to assess them separately.

All pathways
What is not mandated by the Framework?

Job titles	Although we have set out the broad job roles for which the Framework is applicable, employers may choose the job titles that Apprentices have
Entry criteria	We have suggested ranges but this is at employers' discretion
Salary	At employers' discretion (subject to national requirements that Apprentices be employed at least 30 hours a week and paid the Apprenticeship minimum wage)
Length of programme	No set length (except for the national requirement for minimum 1 year length for younger Apprentices). We expect that most employers will choose a length of around 22 – 30 months.
Timing of exams	There is no set order or timing for exams to be taken (although this will be subject to standard exam sitting timetables)
Work undertaken	While Apprentices will need to gain experience in the types of work set out in the Framework, work allocation and scheduling decisions (e.g. a few long projects or many short ones, whether Apprentices gain a specialism or remain more generalist) is at employers' discretion
Training provider	Employers may work with a training provider of their choice
Onward progression from Framework	While we expect that most Apprentices will progress onwards to more senior roles and (where applicable) more advanced qualifications with their employer, employers are not required to commit to this from the start.

Professional Services Higher Apprenticeship
Tax & Audit pathway: detail of learning outcomes

Annex: Audit & Tax pathway content detail

1. Induction

Topic	Sub-topics	Content
1.1 Employer induction	Employer induction	• Follow employer's in-house induction process • Induction to employer's IT/finance systems where applicable
	Compliance	• Briefing on employer policies • Data security (employer and client) • Follow any 'fit and proper person' procedures required • Ethics & professional standards
	Management and mentoring arrangements	• Introduction to learning mentor
1.2 Introduction to programme	The Apprenticeship	• Introduction to the Apprenticeship • Structure and content of Programme • Role within employer's business • Progression routes
	Audit/tax	• What is Audit/Tax? • Employer's business structure
	Learning plan	• Initial skills assessment • Develop learning plan
1.3 Professional behaviours	Business interaction & professional judgement	• What to expect in a meeting • How to adapt professional behaviour and language to the required level of formality • Appropriate written styles • Use of email and phone in business • Manage workload within contracted hours • Remote working (where applicable) • Dress code • Social networking • Analysing and understanding personal impact • Firm's expenses guidelines and process
	Self development	• How to give and receive feedback • Introduction to different learning styles

Annex: Audit & Tax pathway content detail

2. Professional Qualification - CFAB

Topic	Sub-topics	Content
2.1 Accounting	Financial statements	• Maintaining financial records • Adjustments to accounting records and financial statements • Preparing financial statements
2.2 Assurance	Understand the assurance process	• The concept, process and need for assurance • Internal controls • Gathering evidence on an assurance engagement • Professional ethics
2.3 Business & finance	Understanding of how businesses operate	• Business objectives and functions • Business and organisational structures • The role of finance • The role of the accountancy profession • Governance, sustainability, corporate responsibility and ethics • External environment
2.4 Principles of taxation	Understand the general objectives of tax	• Objectives and types of tax • Ethics and administration • Income tax and national insurance contributions • Capital gains tax and corporation tax on chargeable gains • Corporation tax • VAT
2.5 Law	Understand principles of English law	• The impact of civil law on business and professional services • Company and insolvency law • The impact of criminal law on business and professional services • The impact of law in the professional context
2.6 Management information	Be able to prepare essential financial information	• Costing and pricing • Budgeting and forecasting • Performance management • Management decision making

Annex: Audit & Tax pathway content detail
3. Professional Qualification - ATT

Topic	Sub-topics	Content
3.1 Personal taxation	Income tax & capital gains tax	• Prepare information on income and capital gains for the self assessment (SA) personal tax return • Prepare any associated computations in relation to the above • To be able to submit the return and computations under UK self assessment • To be able to complete a client's claim for tax credits
3.2 Business taxation & accounting principles	SA & CTSA returns	• Prepare information for SA tax returns for sole traders or partners • Prepare information for the SA partnership tax return • Prepare information for CTSA returns for companies • Prepare any associated computations in relation to the above • To be able to submit returns and computations under self assessment and CTSA
3.3 Business compliance (option)	PAYE, NIC, VAT	• To be able to deal with employer obligations under PAYE, NIC and related matters under the tax system • To be able to complete and submit VAT returns
3.4 Corporate taxation (option)	Tax & legal issues affecting corporate entities	• To be able to demonstrate an understanding of the tax and legal issues affecting corporate entities and their owners • Prepare information for CTSA returns for companies. • Prepare any associated computations in relation to the above • To be able to submit returns and computations under CTSA
3.5 IHT, Trusts & estates (option)	SA Trust & Estate Tax return	• Prepare information for the SA Trust & Estate Tax return • Prepare any associated computations in relation to the above • To be able to submit the Return and computations under UK self assessment
3.6 VAT (option)	VAT returns	• Prepare information for the VAT return for a taxable trader • To be able to compute any annual or periodic adjustments to be included within a VAT return • To be aware of any special schemes available for taxable traders generally, and to be able to complete returns where such schemes apply
3.7 Professional Responsibilities & ethics	Understand professional responsibilities	• Professional Rules and Practice Guidelines 2011 and Professional Conduct in Relation to Taxation 2011 • Awareness of the Proceeds of Crime Act 2002, the Money Laundering Regulations 2007 plus the relevant anti-money laundering guidance from the CCAB and the Supplementary Anti-Money Laundering Guidance
3.8 Law	Knowledge of law	• 'Essential Law for Tax Practitioners'

Annex: Audit & Tax pathway content detail

4. Manage own performance

Topic	Sub-topics	Content
4.1 Evaluate and improve performance	Understand how to evaluate own Performance	• Purpose and benefits of continuously improving work • Purpose and benefits of encouraging and accepting feedback from others • Ways of evaluating own work • How learning and development can improve own work, benefit organisations, and further own career • Possible career progression routes and development opportunities
	Use feedback from others	• Encourage and accept feedback from others • Make recommendations to improve work performance • Complete tasks using recommended new ways of working • Evaluate completed work • Evaluate changes made for improvements and effectiveness
	Develop and use a learning plan	• Evaluate own performance, using feedback from others and identify where further learning and development will improve own work • Make recommendations and develop a learning plan to improve own work performance • Implement a learning plan • Review and evaluate progress against learning plan
4.2 Time management	Effective time management	• Assess the requirements of a task against set timescales • Prioritise tasks and objectives • Identify constraining or limiting factors and implications of failing to meet objectives within set timescales • Monitor progress against objectives
4.3 Team work	Contribute effectively as team member	• Understand the importance of teams • Explain the personal skills and behaviours required of individuals in a team for effective team working • Identify the different roles and responsibilities within a team • Evaluate the impact of different leadership styles on performance of individuals and a team • Explain skills and behaviour of team leaders required for successful leadership • Use appropriate skills and behaviour when working as part of a team • Assess own contribution to achieving team goals • Explain how to identify and manage potential conflicts within a team

Annex: Audit & Tax pathway content detail
5. Business skills

Topic	Sub-topics	Content
5.1 Effective meetings and workshops	Meetings	• Set up meetings, assess and deliver meeting requirements based on context and audience (room bookings, audio/visual technology, and catering, where applicable) • Facilitate meetings and workshops • Record meeting actions and decisions, and review progress
5.2 Commercial awareness	Employer's business	• Articulate how employer makes money • Understand employer's organisational structure • Competitive landscape of professional services industry
	Relationship between consulting business and clients	• Employer's and client's role and responsibilities • Explain contractual obligations that apply to a consulting engagement • Explain how to manage clients' expectations
	Client's business	• Analyse a client's organisational structure and that of its senior management team • What services and/ or products a client provides and how it makes money • Analyse the objectives and strategy of a clients' business and its position in the market
	Operating ethically	• Explain what operating ethically means in a business context • Explain the implications for a business and its stakeholders of operating ethically
5.3 Internal financial management	Engagement economics	• Understand and explain the basic principles of job costing, profitability, billing and cash collection • Employer's acceptance criteria (e.g. profitability/recovery targets) • Track actuals against budgets • Assist with financial management and billing
	Personal obligations	• Complete timesheets, expenses etc in line with employer's requirements • Manage own work against budget

Annex: Audit & Tax pathway content detail
5. Business skills (continued)

Topic	Sub-topics	Content
5.5 Working on client site (Audit pathway only)	Understand client's policies	• Explain the data and security policies when working away from the office • Explain the procedure in respect of 'personal undertakings' and requirements to comply with client policies
	Describe project requirements	• Identify the project requirements for working on client site and describe to clients (e.g. rooms, IT connectivity) • List the "dos and don'ts" of working at clients to ensure acceptable levels of risk and quality
5.6 IT skills	Spreadsheet software	• Develop and use basic spreadsheets (Excel): Use of simple calculation functions; construct charts and tables
	Presentation software	• Develop basic presentations (Powerpoint): Use text boxes, images, templates and layout tools to create a professional result

Annex: Audit & Tax pathway content detail

6. Communication skills

Topic	Sub-topics	Content
6.1 Business communication	Planning communication activities	• Identify the purpose, audience and outcomes • Assess effectiveness of business communications • Explain importance of reviewing for errors and to keep a file copy of written communications sent
	Written communication	• Present information using a format, layout, and style suited to the situation • Use language that meets differing purposes, objectives and audience • Use accurate grammar, spelling and punctuation, and plain English
	Verbal Communication	• Explain how to adapt their verbal contributions to professional discussions • Use body language and tone appropriately • Present information and ideas verbally so that they are clear, accurate, convincing and/or persuasive • Lead professional discussions to achieve pre-defined objectives • Adopt appropriate active listening techniques • Deliver well-argued responses to questions
6.2 Presentation skills	Prepare presentations/ briefings	• Understand the purpose of preparing for and evaluating a presentation/briefings(internal/external) • Understand the techniques used in enhancing a presentation/briefing (internal/external) • Be able prepare for delivery of a presentation/briefing (internal/external)
	Deliver presentations/ briefings	• Be able to deliver a presentation/briefing (internal/external) • Be able to evaluate a presentation/briefing (internal/external)

Annex: Audit & Tax pathway content detail

7. Technical skills – Audit

Topic	Sub-topics	Content
7.1 Technical skills	Apply employer's methodologies/ approaches in audit and assurance	• Understand employer's audit and assurance methodology • Understand importance of professional scepticism • Understand how the part of the audit that they are working on fits into the wider audit and assurance process • Apply knowledge of financial reporting and auditing standards • Understand client's systems, processes and controls • Explain the risks that have been identified in the audit or assurance plan • Explain how tests of the client's systems, processes and controls will mitigate assessed risks • Select a sample for testing, in line with the assessment of risks and materiality in the audit or assurance plan • Conduct tests • Identify significant misstatements or deficiencies • Record test results and document audit evidence • Prepare preliminary conclusions and recommendations for discussion with audit supervisor
	Regulatory, technical and professional updates	• Understand the professional obligation to remain up to date with technical, professional, individual competency standards and institute technical requirements • Obtain relevant regulatory and technical updates • Understand how to remain up to date with employer's internal policy updates

Annex: Audit & Tax pathway content detail

8. Technical skills - Tax

Topic	Sub-topics	Content
8.1 Technical skills	Apply employer's methodologies/ approaches in tax	• Understand their employer's tax approaches or methodologies • Explain their employer's risk management approaches • Explain how the tax work they are providing fits into the client's wider commercial position • Explain the circumstances and ways in which key tax information sources can be accessed within the employment situation • Use own employer's systems and sources to access information to inform tax work for clients • Be able to create tax computations and tax returns • Apply UK tax legislation and other sources of research to clarify technical positions • Assess whether losses or deductions can be applied • Understand when it is appropriate to liaise and co-ordinate with HMRC specialists and other agencies • Support team members when working on projects to provide tax advice, and contribute to preparing reports or letters of advice • Prepare preliminary conclusions and recommendations for discussion with team members
	Regulatory and technical updates	• Understand the professional requirements to remain up to date with technical, professional, individual competency standards and institute technical requirements • Know where to go for information on regulatory and technical updates • Assess relevance of sources of information including UK tax legislation, HMRC guidelines, professional body guidelines and regulatory instruments • Identify relevant regulatory, technical and professional updates • Understand how to remain up to date with employer's internal technical and policy updates