

Foundations in Accountancy

Foundations in Accountancy

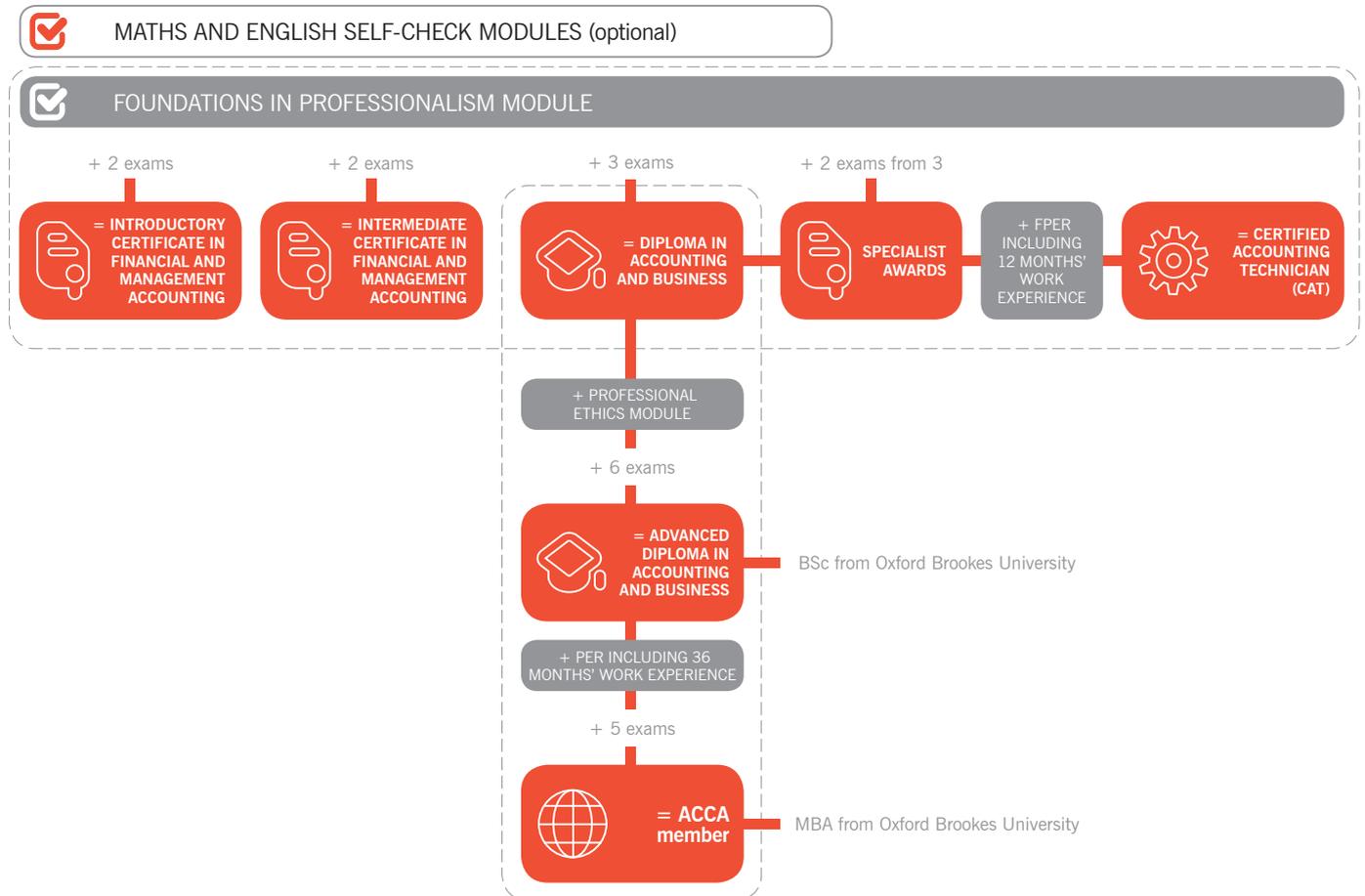
ACCA's suite of entry-level awards – Foundations in Accountancy – has been developed with employers in mind. This suite of qualifications will provide you with access to competent and ethical technicians, trained to consistent standards, with built-in flexibility to allow for skills to be tailored to meet different business needs and environments.

The accountancy profession at every level is constantly evolving to meet the needs and demands of how businesses operate and nowhere is this more apparent than at an accounting-support level. The accounting technician of today and tomorrow needs a rigorous and flexible

qualification to help them contribute to business performance and an ever-changing business landscape.

Foundations in Accountancy will provide even greater access to the ACCA Qualification and aims to satisfy

the needs of employers by allowing individuals to choose from a flexible range of qualifications which will help them develop the relevant technical knowledge and practical skills required to perform in accounting technician roles.



MATCHING FOUNDATIONS IN ACCOUNTANCY SUITE OF AWARDS TO ROLES AND LEVELS

As a guideline, we have matched roles and qualifications against the suite of qualifications within Foundations in Accountancy.

Introductory Certificate in Financial and Management Accounting

Suitable for those aspiring to work or already working in:

- a junior accounts clerk/junior bookkeeper role in a small-medium sized enterprise (SME)
- a range of junior accounting administration roles within an accounting department of a larger organisation or financial shared service centre.

The Introductory Certificate in Financial and Management Accounting is broadly equivalent to UK GCSE level.

Intermediate Certificate in Financial and Management Accounting

Suitable for those aspiring to work or already working in:

- a bookkeeping or cost clerk role in an SME
- a range of accounting administration roles within an accounting department of a larger organisation or financial shared service centre.

The Intermediate Certificate in Financial and Management Accounting is broadly equivalent to UK A level.

Diploma in Accounting and Business

Suitable for those aspiring to work or already working in:

- a wide ranging and responsible accounting role in an SME
- a financial reporting and/or financial decision-support role, possibly in a supervisory role, within an accounting department of a larger organisation
- a financial supervisory or management role in accounts payables and/or receivables, or a financial role in fixed asset accounting or in financial shared service centres
- an accounting technician role in a commercial organisation.

The Diploma in Accounting and Business is broadly equivalent to UK Higher National Diploma level or equivalent.

Overview of Foundations in Accountancy

Foundations in Accountancy consists of a suite of awards, including certificates, diplomas and the Certified Accounting Technician (CAT) Qualification. These flexible awards focus on the core skills of financial accounting and management accounting; and the wider role of the accountant in business at higher levels. The range of awards means that you can pick the level of qualification which most appropriately meets your business needs.

The first examinations will take place in December 2011.

Foundations in Accountancy contains the following qualifications:

- Introductory Certificate in Financial and Management Accounting – awarded on completion of exams *Recording Financial Transactions* (FA1) and *Management Information* (MA1); and Foundations in Professionalism
- Intermediate Certificate in Financial and Management Accounting – awarded on the completion of exams *Maintaining Financial Records* (FA2) and *Managing Costs and Finance* (MA2); and Foundations in Professionalism
- Diploma in Accounting and Business – awarded on the completion of exams *Financial Accounting* (FFA), *Management Accounting* (FMA) *Accounting in Business* (FAB); and Foundations in Professionalism
- Certified Accounting Technician (CAT)
- Specialist papers in audit, tax and financial management are available as individual awards. A certificate will be awarded on the successful completion of the exam and Foundations in Professionalism.

ENTRY REQUIREMENTS

Foundations in Accountancy offers various entry points, allowing maximum flexibility for your trainees to select the most appropriate entry route and progression to additional qualifications, based on previous qualifications, experience and future career aspirations.

It is important to note that exams FAB, FMA and FFA within Foundations in Accountancy are exactly the same as exams F1, F2 and F3 of the ACCA Qualification and share identical syllabuses, study guides and assessment methods. Students who complete F1, F2 and F3 of the ACCA Qualification and Foundations in Professionalism will also be awarded the Diploma in Accounting and Business.

Students with no formal academic qualifications can register to take exams at any level within Foundations in Accountancy. There is no requirement to complete the Introductory Certificate in Financial and Management Accounting or the Intermediate Certificate in Financial and Management Accounting prior to completing the Diploma in Accounting and Business, although students are strongly recommended to do so.

Optional English and maths self-check modules

ACCA operates an open entry policy through Foundations in Accountancy. However, to assist prospective students – and their employers – in gauging their general level of ability in English and maths, ACCA has developed optional self-check modules in English and maths. Included within the self-check modules are learning materials to help students improve their English language and maths skills which they may wish to complete before embarking on any of ACCA's qualifications. The self-check modules are free of charge and can be accessed online at www.accaglobal.com

FOUNDATIONS IN PROFESSIONALISM

In line with current best practice, and to meet IFAC's (International Federation of Accountants) recommendations for technical accountants, a professionalism and ethics module is included as part of Foundations in Accountancy. Completion of Foundations in Professionalism is compulsory for students who wish to be awarded the Introductory and Intermediate certificates in Financial and Management Accounting, the Diploma in Accounting and Business

and the CAT Qualification. Please note Foundations in Professionalism only needs to be completed once by students who choose to complete one or more of these awards. Foundations in Professionalism is free of charge and can be accessed from the ACCA website. Foundations in Professionalism will not contribute towards the Professional Ethics module which is part of the ACCA Qualification as they are distinct and separate modules.

EXPERIENCE

Students who wish to complete the CAT Qualification will be required to complete a practical experience requirement. Four of the CAT Qualification performance objectives will be the same as the performance objectives which form part of the ACCA Qualification, and will be introduced alongside the current elements of technical competence. If these four performance objectives are completed as part of the CAT Qualification practical experience requirements, they can count towards four of the 13 performance objectives required to achieve the ACCA Qualification. Students will be required to update and maintain paper records of progress towards performance objectives and technical competences.

EXEMPTIONS

Students with relevant qualifications from a recognised institution may be eligible to claim exemption from papers within Foundations in Accountancy. Students who choose to complete the CAT Qualification may be eligible to claim exemptions from some or all of the papers within the Introductory Certificate in Financial and Management Accounting and Intermediate Certificate in Financial and Management Accounting based on relevant practical experience.

EXAM SYLLABUS

The table below summarises the aims of each paper within the syllabus and the corresponding capabilities trainees will develop as they progress through the exams.

RECORDING FINANCIAL TRANSACTIONS (FA1)	
<p>AIM</p> <p>To introduce knowledge and understanding of the business and its environment and the influence this has on how organisations are structured and on the role of the accounting and other key business functions in contributing to the efficient, effective and ethical management and development of an organisation and its people and systems.</p>	<p>MAIN CAPABILITIES</p> <p>On successful completion of this paper, candidates should be able to explain and understand the following:</p> <ul style="list-style-type: none"> • Types of business transactions and documentations • Duality of transactions and the double entry system • Banking system and transactions • Payroll • Ledger accounts • Cash and bank • Sales and Credit transactions • Purchases and Credit transactions • Reconciliation • Preparing the trial balance.
MANAGEMENT INFORMATION (MA1)	
<p>AIM</p> <p>To develop knowledge and understanding of providing basic management information in an organisation to support management in planning and decision-making.</p>	<p>MAIN CAPABILITIES</p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> • Explain the nature and purpose of cost and management accounting • Identify source documents in a costing system and correctly code data • Classify costs by nature, behaviour and purpose • Record costs for material, labour and expenses • Provide information on actual and expected costs • Use the spreadsheet system in Microsoft Excel.
MAINTAINING FINANCIAL RECORDS (FA2)	
<p>AIM</p> <p>To develop knowledge and understanding of the underlying principles and concepts relating to Maintaining Financial Records and technical proficiency in the use of double-entry accounting techniques including the preparation of basic financial statements</p>	<p>MAIN CAPABILITIES</p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> • Explain generally accepted accounting principles and concepts • Outline the principles and process of basic bookkeeping • Preparing journals and ledger accounts • Record transactions and events • Prepare a trial balance (including identifying and correcting errors) • Reconcile the control accounts and cashbook • Extending the trial balance, year end adjustments and final accounts • Account for partnerships.

MANAGING COSTS AND FINANCES (MA2)

AIM

To develop knowledge and understanding of how to prepare, process and present basic cost information to support management in planning and decision-making in a variety of business contexts.

MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- Explain the role of costing within the organisation and how costs are classified
- Describe and record costs by classification
- Explain and apply cost accounting techniques
- Use management accounting techniques to make and support decision-making
- Explain principles of cash management
- Apply and use computer spreadsheets in Microsoft Excel.

ACCOUNTANT IN BUSINESS (F1/FAB)

AIM

To introduce knowledge and understanding of the business and its environment and the influence this has on how organisations are structured and on the role of the accounting and other key business functions in contributing to the efficient, effective and ethical management and development of an organisation and its people and systems.

MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- Understand the purpose and types of businesses and how they interact with key stakeholders and the external environment
- Understand business organisation structure, functions and the role of corporate governance
- Recognise the function of accountancy and audit in communicating, reporting and assuring financial information and in effective financial control and compliance
- Recognise the principles of authority and leadership and how teams and individuals are recruited, managed, motivated and developed
- Understand the importance of personal effectiveness as the basis for effective team and organisational behaviour
- Recognise that all aspects of business and finance should be conducted in a manner which complies with and is in the spirit of accepted professional ethics and professional values.

MANAGEMENT ACCOUNTING (F2/FMA)

AIM

To develop knowledge and understand of providing basic management information in an organisation to support management in planning and decision making.

MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- Explain the nature, source and purpose of management information
- Explain and apply cost accounting techniques
- Prepare budgets for planning and control
- Compare actual costs with standard costs and analyse any variances
- Analyse, interpret and monitor business performance.

FINANCIAL ACCOUNTING (F3/FFA)

AIM

To develop knowledge and understanding of the underlying principles and concepts relating to financial accounting and technical proficiency in the use of double-entry accounting techniques including the preparation of basic financial statements.

MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- Explain the context and purpose of financial reporting
- Define the qualitative characteristics of financial information
- Demonstrate the use of double-entry and accounting systems
- Record transactions and events
- Prepare a trial balance (including identifying and correcting error)
- Prepare basic financial statements for incorporated and unincorporated entities
- Prepare simple consolidated financial statements
- Interpretation of financial statements.

SPECIALIST PAPERS

FOUNDATIONS IN AUDIT (FAU) (INTERNATIONAL)

AIM

To develop knowledge and understanding of the principles of external audit and the audit process and technical proficiency in the skills used for auditing financial statements.

MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- Explain the purpose and scope of an audit and its regulatory framework
- Explain how an auditor assesses risk and plans an audit
- Identify the principles of internal control and describe and evaluate the features of information systems
- Identify and describe audit evidence and audit procedures required to meet the objectives of an audit and apply International Standards on Auditing
- Explain how the audit is completed and reflected in the different types of audit report.

FOUNDATIONS IN TAXATION (FTX) JUNE AND DECEMBER 2012

AIMS

To develop the ability to prepare computations of tax liability for both individuals and businesses resident in the UK for the purposes of income tax, corporation tax, capital gains tax and value added tax. In addition, to develop knowledge and understanding of the manner in which dealings must be conducted with HM Revenue and Customs, including knowledge of the statutory timescales for the submission of claims and returns and the due dates for the payment of tax liabilities.

MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- Explain the basic operation and scope of the UK tax system
- Prepare adjusted profit / loss computations for trades and professions
- Compute the income tax liability of individuals, and prepare the income tax return
- Explain and compute the chargeable gains and capital gains tax liability arising on individuals
- Compute the corporation tax liability of a company, including any chargeable gains, and prepare the corporation tax return
- Explain and compute the effects of value added tax on incorporated and unincorporated businesses and prepare returns.

FOUNDATIONS IN FINANCIAL MANAGEMENT (FFM) JUNE AND DECEMBER 2012

AIMS

To develop knowledge and understanding of the way organisations finance their operations, plan and control cash flows, optimise their use of working capital and allocate resources to capital expenditure projects.

MAIN CAPABILITIES

On successful completion of this paper, candidates should be able to:

- Explain and apply the principles of working capital management
- Apply a range of accounting techniques used to forecast cash within the organisation
- Describe methods and procedures for managing cash balances
- Explain principles in making medium to long term financial decisions
- Explain and apply principles in making capital investment decisions
- Describe credit management methods and procedures.