

Applying for MEMBERSHIP

T4 Part A

Test of Professional Competence.

Initial professional development Practical Experience Requirements



Purpose:

The purpose of the T4 Part A is to enable CIMA students to assess the work based practical experience they have gained and their competence and suitability for membership.

For the Practical Experience Requirements and further information please see 1.1 on page 2



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At CIMA we are committed to the continuous review and improvement of our services to you as students and members, to give you the skills and knowledge to succeed in a world where new business issues constantly arise. We also aim to anticipate and fulfil your needs as professionals, responding in areas where you tell us you need support. So make it part of your career plan to fulfil the requirements for membership and have your practical experience assessed.

You need to record your experience using our online career profile recording system which is accessible through your My CIMA account. The career profile will include:

- a detailed write up of your experience
- a minimum of two verifiers supporting the application
- a record of skills development.

We encourage you to submit your career profile for assessment as soon as you have successfully completed the strategic level exams and have a minimum of three years' relevant practical experience.

At the very latest, you must complete T4 (a) within four years of completing the T4 (b) case study examination.

If you don't submit your career profile within four years you will be removed from the register.

Find out more about Practical Experience Requirements at www.cimaglobal.com/per

1.6 How will I judge whether I have sufficient practical experience to submit my T4(a) application for assessment?

As soon as you believe you have the necessary relevant practical experience, you should submit your career profile for assessment. Ideally you will complete T4(a) before tackling T4(b) – the case study exam.

To apply you must have completed the strategic level exams. In the event of an application being received with inadequate experience, we will advise you on how you can improve your application.

1.7 What should I do if I have gained three years' experience, which is in-depth in some areas, but have much less experience or no experience in others?

You should still submit your T4(a) application for assessment. The membership assessors are fellows of CIMA, with wide ranging experience, who are able to interpret and evaluate the range of experience recorded by an applicant. It is worthwhile submitting your career profile in these circumstances (subject to having a full 18 months' core experience). If you have failed to meet the overall standard of experience required, you will be given advice on what to do next.

1.8 When can I use the letters ACMA?

Only when you have been admitted as an associate member of CIMA can you describe yourself as a Chartered Management Accountant and use the initials ACMA after your name. You must not describe yourself as 'CIMA qualified' or use the letters ACMA in any correspondence or on any documentation, including your CV or business card, until you have passed all the CIMA exams, had your practical experience successfully assessed and been admitted to membership. If you do use ACMA when you are not entitled to, you may be disciplined. For more information you may wish to refer to Members' Regulations 11.4 of CIMA's Royal Charter, Byelaws and Regulations booklet and CIMA's code of ethics at: www.cimaglobal.com/codeofethics

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2f Project appraisal

- Using investment appraisal techniques for the evaluation of capital expenditure, long-term contracts and other projects.
- Evaluating other investments or acquisitions using appropriate techniques.
- Post-completion audit of projects and investments.

2g Project management

- Management of a project or working as part of a project team, for example the introduction of a new system or procedures to the organisation, business process re-engineering or quality improvement, capital expenditure projects or any other non-routine activity with a defined output, such as the launch of a new product or an office move.
- Internal or external consultancy assignments.

2h Working capital control

- Debt collection, inventory and expense commitment control, recording and forecasting foreign currency transactions, cash flow forecasting and monitoring.
- Periodic stock takes, the identification of slow moving and redundant stock, negotiation of credit terms with customers, suppliers and bankers.
- Supply chain management.

2i Risk management and business assurance

- Identifying, assessing and managing business risks.
- Disaster recovery planning.

Area 3: Supplementary experience

Experience gained in this area might include responsibility for research, analysis and evaluation of activities, assisting with activities or contributing as part of a team. Examples of suitable experience in this area are listed below:

3a Financial strategy

- Identifying the organisation’s funding position, future funding requirements, costs and sources of funds, options for investment, cost of capital and leasing decisions.
- Contributing to longer-term balance sheet and capital structure management.
- Involvement with distribution of earnings policy.

3b Corporate finance

- Involvement with company acquisitions, disposals, management buy-outs or buy-ins and corporate restructuring.
- Involvement with take-overs of public companies and defence against unwelcome bids.
- Involvement with corporate governance and the resolution of ethical issues.
- Company secretarial work, contract evaluation/negotiation.

3c Treasury management

- Negotiation and management of bank accounts and loan facilities.
- Management of foreign exchange and currency exposure.
- Dealing with export finance, for example documentary credits, bills of exchange.
- Valuation of financial instruments.

3d Taxation

- Establishing the organisation’s liability for corporation tax and other obligations to revenue authorities (e.g. VAT in the UK).
- Establishing, planning and applying the impact of other taxes and charges, such as sales, regional and payroll taxes collected by the employer.
- Examination of transfer pricing issues.

3e Business evaluation and appraisal

- Review of other organisations’ performance based on published accounts and other available information for example competitor review, potential investment or customer creditworthiness.
- Review of subsidiary or associated company performance.

3f Business strategy

Contributing to the establishment of the organisation’s long-term business objectives, for example:

- identifying and evaluating external factors which may impact on the organisation
- identifying and appraising the organisation’s skills and resources
- identifying and defining business options; evaluating these options, performing risk assessments and recommending strategies for adoption
- analysing the economic impact of environmental change upon the organisation
- analysing market and competitive developments in relation to marketing strategy
- advising managers on critical economic and financial developments
- contributing to the development of the organisation’s information systems strategy as a complement to its business strategy.

3g External relationships

- Dealing with the organisation’s customers, suppliers, external advisors, auditors, bankers and investors.
- Dealing with representative bodies and trade associations (for example CBI, ABPI, Chambers of Commerce), Government departments and other regulatory authorities, stock exchange and receivers or administrators.

Practical experience – outcomes

Area 1 Basic experience

1a Preparing and maintaining accounting records

As a result of this experience the student should:

- be able to record day-to-day financial transactions
- understand the accounting systems and records used in the organisation and the relationships between them
- recognise the nature and purpose of different basic transaction recording techniques available, whether manual or computerised.

1b Statutory and regulatory reporting

As a result of this experience the student should:

- be able to assist with the preparation of financial and regulatory reports, in accordance with Government legislation and accounting standards
- understand the implications for the organisation of such legislation and accounting standards
- have an insight into the purpose of and reasoning behind such legislation and standards.

1c IT desktop skills

As a result of this experience the student should:

- be able to use appropriate computer software products to assist with their day-to-day work
- understand what IT products are available within the organisation and when it is appropriate to use them.

1d Systems and procedure development

As a result of this experience the student should:

- be able to analyse a business process; assist with the design of a system (or set of procedures) to carry out that process effectively and efficiently; prepare appropriate documentation and introduce the system/procedures into the organisation successfully
- understand the capability of any technology such as computer hardware and software
- recognise the needs of the users of the system/procedures.

Practical experience – outcomes

Area 2 Core experience

2a Preparation of management accounts

As a result of this experience the student should:

- be able to interpret figures/variances and convey their significance to others
- understand the relationship between profit and loss and balance sheet items and the underlying events which influence them
- have an insight into the organisation's performance and the factors that influence it.

2b Planning, budgeting and forecasting

As a result of this experience the student should:

- be able to assist line management to prepare financial projections within defined parameters
- understand the organisation's business objectives and be aware of its financial targets
- have an insight into the internal and external factors and constraints that influence the achievement of these objectives and targets.

2c Management reporting for decision making

As a result of this experience the student should:

- be able to identify key issues, translate financial/numerical data into non-technical language, set out logical arguments and present clear recommendations
- understand the needs of different recipients/audiences.



Practical experience – outcomes

Area 2 Core experience

2d Product and service costing

As a result of this experience the student should:

- be able to identify and apply the appropriate costing technique to a range of situations
- understand the cost and pricing structure of the organisation and its products/services
- have an insight into the internal and external factors which influence the organisation's costs and thus the competitiveness of its products/services.

2e Information management

As a result of this experience the student should:

- be able to apply key performance indicators
- understand the critical success factors for the organisation
- be aware of sources and availability of information, both internal and external.

2f Project appraisal

As a result of this experience the student should:

- be able to apply appropriate investment appraisal techniques to a variety of proposed investments
- understand the organisation's policies, procedures and criteria for the authorisation of investments
- gain an insight into the factors that influence the organisation's cost of capital and required rates of return.

2g Project management

As a result of this experience the student should:

- be able to define the objective and outputs of a specific project; identify the tasks required to complete it; allocate tasks to individuals; prepare a project plan; monitor, control and report progress against plan; undertake follow-up post implementation
- understand the project management methodology used in the organisation
- recognise the rules of successful project management.

2h Working capital control

As a result of this experience the student should:

- be able to carry out the more routine and short-term financial management functions
- understand the importance of working capital control and cash flow to the success of the organisation
- have an insight into the internal and external factors that influence the cash flow of the organisation.

2i Risk management and business assurance

As a result of this experience the student should:

- understand the roles and importance of risk assessment/management and business assurance within the business
- be able to apply, appropriate techniques for identifying, assessing and managing business risks
- have an insight into the strategic role of disaster recovery planning and its operation within the organisation.

Find out more about Practical Experience Requirements at www.cimaglobal.com/per

Practical experience – outcomes

Area 3 Supplementary experience

3a Financial strategy

As a result of this experience the student should:

- be able to prepare and evaluate analyses of the financial consequences of strategic decisions
- understand the financial strategy of the organisation
- have an insight into the external factors that influence the formulation and effectiveness of that strategy.

3b Corporate finance

As a result of this experience the student should:

- understand the roles of the various parties, for example solicitors, merchant bankers, accountants, venture capitalists, in corporate finance transactions
- be aware of the regulations and codes of practice which govern these activities
- have an insight into the financial and strategic reasons for a particular transaction
- understand the corporate governance structures and controls operating within the organisation and make recommendations for change
- be able to identify, analyse and evaluate ethical issues as they arise and make recommendations for their resolution
- contribute to various aspects of company secretarial work, including assisting in the evaluation and negotiation of contracts.

3c Treasury management

As a result of this experience the student should:

- be able to contribute to the day-to-day management of the organisation's finances
- understand the financial arrangements of the organisation
- have an insight into the factors affecting the appropriateness to particular situations of the various sources of finance available to the organisation.

3d Taxation

As a result of this experience the student should:

- be able to assist with the calculation of the organisation's various tax liabilities
- understand the taxes and imposts to which the organisation is subject
- have an insight into how the tax regime impacts on the organisation's business.

3e Business evaluation and appraisal

As a result of this experience the student should:

- be able to carry out a comprehensive analysis of an organisation's business performance based on published accounts and other available data
- understand the significance of recognised financial ratios and the relationship between them
- have an insight into the factors that affect the value of a company's shares.

3f Business strategy

As a result of this experience the student should:

- be able to carry out strategic business analyses using recognised tools and techniques, for example SWOT analysis
- understand the strategic business goals of the organisation and how they have been arrived at
- have an insight into the external factors that influence the setting and achievement of these goals.

3g External relationships

As a result of this experience the student should:

- be able to deal with third parties professionally and effectively
- understand the relationships that exist between the organisation and external parties
- have an insight into how these relationships impact on the organisation's activities and performance.



2 Guidance on how to complete T4(a)

Contents of T4(a)

Your career profile should include:

- Section 1 – Assessment of practical experience/membership application form
- Section 2 – Employment summary
- Section 3 – Detailed record of experience
- Section 4 – Record of skills development

Standard forms for use when completing Sections 1, 2 and 4 can be found on the CIMA website. Section 3 has no standard format and, whilst you are given freedom as to the presentation of your experience, it should resemble an extended CV.

T4(a) section 1 – assessment of practical experience/membership application form

You must complete an assessment of practical experience/membership application form, either by hand or online, with a proposer and seconder. These must be people you have worked for in the past or are currently working for. They must have direct knowledge of your work and have been in a more senior position than you in the organisation. Together they must be able to verify at least 36 months of the relevant practical experience that appears on your detailed record of experience, including 18 months in the core area. You may have written up a lot more than three years' experience but a minimum of 36 months must be signed off. If your proposer and seconder do not cover the three years, you will need to obtain one or more signatures from previous managers (employers) to cover the minimum period of 36 months. Please ask your additional signatories to sign another copy of the assessment of practical experience/membership application form. If you are making your application by post, you will need to download an assessment of practical experience/membership application form from the CIMA website and complete it by hand. If you are planning to apply online, this information – including details of your proposer and seconder – will need to be entered electronically.

T4(a) section 2 – employment summary

You must complete an employment summary which lists all of your jobs since leaving full time education. This should be completed in chronological order, starting with your first job. Any gaps in your employment must be explained.

The details required include:

- dates from/to by month and year
- name, business sector, and approximate annual turnover of the employing organisation
- the number of staff employed (total, in your department, and reporting to you)
- your position/job title in each post and job title of person to whom you reported
- the number of months experience, within each employment, gained in each of the three main areas of experience.

Note: please take care not to double count your experience. The number of months experience claimed across the basic, core and supplementary areas must not be greater than the number of months spent in the role.

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3 Submitting your T4(a) application for assessment

Once you have completed your T4(a) application, you can submit your practical experience for assessment, either online, by post or face to face.

Online method

When accessing the online system, you will need to log into your My CIMA account. Once you have done this you will need to click on the link entitled 'Membership Application'.

You are taken to an information screen that provides details of the process as well as a user guide on how to use the system. At the bottom of that page is an 'Apply now' button.

Once you click on this button, the system takes you page by page through the different elements of the application. On each page, when you have saved your details, there is a 'Check my entries' button. If you click on this button, the top of the page will turn from a red cross to a green tick to indicate that the relevant data has been completed. If this does not happen, a message will display to inform you what is missing. Once all of the pages of the application have green ticks, you are then in a position to submit your T4(a). For more information please consult the online user guide.

By post

When applying in hard copy format, there are four sections to complete:

Section 1 – Assessment of practical experience/membership application form

Section 2 – Employment summary

Section 3 – Detailed record of experience

Section 4 – Record of Skills development

Document templates for sections 1, 2 and 4 can be downloaded from:

www.cimaglobal.com/practicalexperience

Postal applications and the appropriate fee should be sent to:

Membership Admissions

CIMA

26 Chapter Street

London

SW1P 4NP

United Kingdom

Face to face

Complete the same forms as required when submitting your application by post, then review the list of sessions available on the CIMA website.

Note: if applying by post please ensure that you keep a copy of your application for reference.

Find out more about Practical Experience Requirements at www.cimaglobal.com/per

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**Chartered Institute of
Management Accountants**
26 Chapter Street
London SW1P 4NP
United Kingdom

T. +44 (0)20 8849 2251
F. +44 (0)20 8849 2250
E. cima.contact@cimaglobal.com
www.cimaglobal.com



www.wcoa2010kualalumpur.com

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