Applying for MEMBERSHIP

Assessment of practical experience
Purpose:

The purpose of the assessment of practical experience 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
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 the assessment of practical experience within four years of completing the Strategic level Case Study exam.

If you don’t submit your career profile practical experience requirements within four years you will be removed from the register.
1. Practical Experience Requirements

Your questions answered:

1.1 Why have Practical Experience Requirements?

The Practical Experience Requirements are an essential part of the CIMA qualification. They complement the exams and measure whether students have gained enough experience of applying management accounting skills and techniques and are competent to become a CIMA member.

1.2 What are the Practical Experience Requirements?

The Practical Experience Requirements describe the range of practical work experience you need to gain in order to become a CIMA member. They are broken down into three areas – basic, core and supplementary, to show the wide range of functions carried out by management accountants. The detailed Practical Experience Requirements and outcomes are shown later in this section.

1.3 Are the requirements the same for students working in different employment sectors?

Yes. The Practical Experience Requirements are the same for everyone, regardless of employment sector. The Practical Experience Requirements have been designed to be applicable across the broad range of business sectors, geographic and cultural environments. This should enable most management accounting students, whatever their training situation, to obtain experience which meets the requirements.

1.4 How much experience do I need?

You will need a minimum of three years’ relevant practical experience, some or all of which may have been gained before registering as a CIMA student. You are not expected to have covered every single aspect of the Practical Experience Requirements. A good spread of experience is required across the three areas, with at least 18 months of the three years in the core area. Additional or in-depth experience in the core area may compensate for marginal experience gained in the other areas.

1.5 How do I record my practical experience?

Your experience should be recorded in a career profile. The career profile consists of an assessment of practical experience/membership application form, employment summary, a detailed record of your experience and a record of skills development.

You should start work on your career profile as soon as you have completed the strategic level examinations. It is recommended that you keep notes of your experience gained, so when you come to write up your experience in detail, you have notes to refer back to.

Section 3 provides guidance on how to complete your career profile.
1.6 How will I judge whether I have sufficient practical experience to submit my application for assessment?

As soon as you believe you have the necessary relevant practical experience, you should submit your career profile practical experience for assessment. Ideally you will complete the Strategic level Case Study exam before submitting your PER, however this is not a compulsory requirement.

You must have completed all three Strategic level Objective Tests in order to submit your assessment of practical experience. 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 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, CGMA?

Only when you have been admitted as an associate member of CIMA can you describe yourself as a Chartered Global Management Accountant and use the ACMA, CGMA designation after your name. You must not describe yourself as 'CIMA qualified' or use designation 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, CGMA 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

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

Key points

1. The Practical Experience Requirements complement CIMA’s exam syllabus by identifying the essential financial and technical skills required to be competent Chartered Global Management Accountants.

2. In addition, students should aim to develop their personal, interpersonal and organisational skills (behavioural skills), for example, communication, presentation or team working.

3. A minimum of three years’ relevant experience is required, spread across all three areas.

4. A minimum of 18 months should be spent in the core area, but assessors will make a judgement on the overall quality of experience.

5. Students should indicate the extent of their involvement in activities, for example specifying whether they had sole responsibility for the task and/or participated as part of a team.

Area 1: Basic experience

Experience gained in this area should be at a ‘hands-on’ level. Examples of suitable experience in this area are listed below:

1a Preparing and maintaining accounting records
   • Updating the organisation’s ledgers.
   • Maintaining payroll procedures.
   • Preparation and review of a trial balance.
   • Reconciliations of debtors, creditors, bank balances.
   • Computation of depreciation charges, VAT returns, accruals and prepayments.

1b Statutory and regulatory reporting
   • Involvement in the preparation of annual or interim financial statutory accounts, regulatory, or compliance information for the organisation and stakeholders.
   • Consolidation of the results of subsidiary organisations.
   • Preparation and review of other government financial returns.

1c IT desktop skills
   • Developing computer literacy using proprietary software packages, including spreadsheets and databases.
   • Using the internet and corporate intranets.

1d Systems and procedure development
   • Involvement in the design, development and implementation of new or replacement systems and procedures.
   • Review of existing systems and processes as part of an internal or operational audit.

Area 2: Core experience

Experience gained in this area should be as ‘hands-on’ as possible. Students may be contributing to the activities without necessarily having ultimate responsibility for the output. Examples of suitable experience in this area are listed below:

2a Preparation of management accounts
   • Preparation, presentation and interpretation of regular management accounts and related reports; KPIs, flash reporting, dashboard, and periodic P&Ls.
   • Comparison of actual performance with budget and/or forecast; analysis and interpretation of variances.
   • Preparation of regular reports on capital expenditure, outstanding debtors/creditors, inventory etc.

2b Planning, budgeting and forecasting
   • Preparation, in conjunction with line management, of annual budgets and forecasts.
   • Preparation of departmental budgets and forecasts.
   • Working with other departments to develop corporate budgets and forecasts.
   • Preparation of business plans, balanced scorecards, capital expenditure budgets and forecasts, and ‘zero based’ budgets.

2c Management reporting for decision making
   • Preparation of non-routine reports that analyse and interpret financial/numerical data.
   • Evaluating alternative courses of action and making specific recommendations; following up results of reports.
   • Preparation of briefing papers for management.
   • Oral presentation of reports using visual aids.
   • Assisting with the drafting of expert witness reports.

2d Product and service costing
   • Application of appropriate principles and techniques, for example overhead allocation, marginal costing, break-even analysis and ABC, in order to establish the current and future costs of the organisation’s products, services and activities.
   • Identification of costs and revenues relating to specific business decisions, for example the introduction, amendment or deletion of a product or service; pricing, make or buy comparisons.

2e Information management
   • Defining the information requirements of the organisation.
   • Identifying and evaluating appropriate information systems.
   • Managing the process of information gathering, processing, storage and retrieval.
PRACTICAL EXPERIENCE REQUIREMENTS

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.

### 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

<table>
<thead>
<tr>
<th>Area 2 Core experience</th>
<th>2d Product and service costing</th>
<th>2e Information management</th>
<th>2f Project appraisal</th>
<th>2g Project management</th>
<th>2h Working capital control</th>
<th>2i Risk management and business assurance</th>
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<td>As a result of this experience the student should:</td>
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<td></td>
<td>• be able to identify and apply the appropriate costing technique to a range of situations</td>
<td>• be able to apply key performance indicators</td>
<td>• be able to apply appropriate investment appraisal techniques to a variety of proposed investments</td>
<td>• 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</td>
<td>• be able to carry out the more routine and short-term financial management functions</td>
<td>• understand the roles and importance of risk assessment/management and business assurance within the business</td>
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<td>• understand the cost and pricing structure of the organisation and its products/services</td>
<td>• understand the critical success factors for the organisation</td>
<td>• understand the organisation’s policies, procedures and criteria for the authorisation of investments</td>
<td>• understand the project management methodology used in the organisation</td>
<td>• understand the importance of working capital control and cash flow to the success of the organisation</td>
<td>• be able to apply, appropriate techniques for identifying, assessing and managing business risks</td>
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<td>• have an insight into the internal and external factors which influence the organisation’s costs and thus the competitiveness of its products/services.</td>
<td>• be aware of sources and availability of information, both internal and external.</td>
<td>• gain an insight into the factors that influence the organisation’s cost of capital and required rates of return.</td>
<td>• recognise the rules of successful project management.</td>
<td>• have an insight into the internal and external factors that influence the cash flow of the organisation.</td>
<td>• have an insight into the strategic role of disaster recovery planning and its operation within the organisation.</td>
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Find out more about Practical Experience Requirements at [www.cimaglobal.com/per](http://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 your assessment of practical experience

Contents of the assessment

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.

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.

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.

Find out more about Practical Experience Requirements at www.cimaglobal.com/per
Section 3 – detailed record of experience (extended CV)

This section of your career profile should provide a full history of your relevant experience to date. As a guide it should be approximately six to eight A4 pages in length (in single line spacing).

The following information must be provided for each position held or specific role performed (starting with your first job):

- name of employing organisation
- brief description of the organisation
- job title
- breakdown of the number of months spent in each position or role
- description of your duties and responsibilities
- details of the work you have carried out, why you did it and the outcomes achieved
- degree of involvement (specifying whether you had sole responsibility for the task, participated as part of a team, or acted as an advisor) and to whom you reported.

The important thing to remember is that the detailed record of experience needs to read like a report, showing how your work meets the Practical Experience Requirements. It needs to be more than just a list of bullet points, as such applications will be returned to applicants with the request for more information to be supplied. It must describe what you did, how you did it and the outcomes achieved. It is also important to show your level of responsibility so avoid using phrases such as ‘assisted with’ or ‘part of a team’ but instead detail your exact involvement.

Section 4 – record of skills development

Using the template provided, you must describe how you have developed each of the following behavioural skills:

- personal
- interpersonal
- organisational.

You will need to provide at least one but no more than three examples for each skill type. The examples must be taken from your work based experience and should show the assessor how you have developed your skill level in each of the areas. It is possible that when carrying out a particular piece of work or project, you demonstrated more than one of the three skill types. If this is the case, it is acceptable to refer to that example in each of the three skill areas. Please visit the CIMA website for further details of each of the three skill areas, the template to be used and examples of how an applicant has described their skills development in each of the skill areas. If you need further advice on completing your Career Profile, please see www.cimaglobal.com/per or contact either CIMA Contact or your nearest office.

Note: the terminology used to describe your work should, where possible, be similar to that used to describe the CIMA Practical Experience Requirements. You should emphasise the application of management accounting techniques.

Note: as part of CIMA’s commitment to quality assurance, you may be asked to discuss the content of your career profile over the telephone with a CIMA Assessor.
3. Submitting your application for assessment

Once you have completed your 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. 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/per
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
Two of the world’s most prestigious accounting bodies, AICPA and CIMA, formed a joint venture to establish the CGMA designation to elevate the profession of management accounting.