



The Institute of Chartered Accountants in Australia Recognition Policy for CIMA members

March 2006

INTRODUCTION

The Institute of Chartered Accountants in Australia ('the Institute') and the Chartered Institute of Management Accountant (CIMA), UK, continue to explore ways to strengthen their strategic alliance for the mutual benefit of their members.

In 2002, CIMA announced the new pathway for Institute members to obtain the Advanced Diploma in Management Accounting and ultimately enter full professional membership.

The Institute has now finalised its new policy on the recognition of CIMA members, the requirements for them to gain the award of Graduate Diploma (ICAA) and ultimately enter into membership of the Institute.

It is recognised that CIMA members have completed relevant examinations and practical experience and gained a qualification with a focus in management accounting. In general, to gain entry to the Institute, applicants are required to be degree holders. However, all Associate and Fellow members of CIMA, whether they hold a degree or not, are given recognition by The Institute for entry into the Chartered Accountants Program.

To apply for membership of the Institute, CIMA members are required to:

- Complete bridging studies at an accredited university; and
- Pass the Chartered Accountants Program (an exemption will apply); and
- Satisfy the specific service requirements of The Institute (as they relate to both the Chartered Accountants Program and membership); and
- Provide other information as specified in the By-Laws and Regulations of The Institute.

The experience that CIMA members have previously gained can be counted towards the prerequisite service required for enrolment into the Chartered Accountants Program. It also helps to reduce the overall period of accredited service that forms part of the requirement for membership of The Institute.

On successful completion of the Chartered Accountants Program a *Graduate Diploma (ICAA)* is awarded by The Institute. This qualification can provide credit towards further postgraduate study.

After completing the Chartered Accountants Program and the required period of mentored and accredited service, CIMA members can make an application to become members of the Institute.

Information for members of CIMA (UK)

Details on becoming an Australian Chartered Accountant

The following information is to assist members (Associates & Fellows) of the Chartered Institute of Management Accountants (CIMA), UK who are interested in becoming a member of The Institute of Chartered Accountants in Australia ('the Institute').

The steps to membership are listed here, with an explanation of each step given below.

For CIMA members, the steps to becoming an Australian Chartered Accountant are:

1. Have an **assessment** of your qualifications completed by the Institute. An exemption from the Management Accounting & Analysis (MAA) module of the Chartered Accountants Program will be awarded as part of this assessment.
2. Complete the required **bridging subjects** through an accredited university.
3. Enrol into and pass the **Chartered Accountants Program**.
4. Satisfy the specific **service requirements** of the Institute - for the Chartered Accountants Program and for membership.
5. Provide any other information required when making an application for **membership** as specified in the Institute By-law 10a and R2, Reg 101 – 110 (eg suitable references).

THE STEPS EXPLAINED

1a. *Qualifications Assessment*

The Qualifications team of the Chartered Accountants Program & Admissions Division is responsible for determining if an applicant has completed the educational requirements for entry to the Chartered Accountants Program. All applicants with overseas qualifications are required to have a formal assessment completed.

As part of the qualifications assessment undertaken for CIMA members, the Qualifications staff will automatically grant an exemption from the MAA module of the Chartered Accountants Program. The Institute will send a letter to you explaining the outcome of the assessment; formally advising of any bridging study required and confirming that the exemption from the Chartered Accountants Program has been approved.

The application form:

The assessment form can be found on the Institute's website via the following link:
(www.icaa.org.au)

The information and fee differs depending on whether you require an assessment for the purpose of migration or for entry into the Chartered Accountants Program. If you are applying for assessment for migration, additional information is required. The criteria used for assessment and the exemption from the MAA module is the same for both types of applicants. You can arrange to have your examination results and an original letter of good standing sent to the Institute directly. Contact the CIMA office in Sydney for further information.

It is important that you provide detailed information about your past and present employment so that, as part of reviewing your qualifications, the type of experience you have gained can also be considered. When enrolling in the Chartered Accountants Program you will be required to provide original documentation relating to your service with past/current employers.

1b. Chartered Accountants Program Exemptions

CIMA members will receive an exemption from one module of the Chartered Accountants Program: Management Accounting & Analysis (MAA).

The exemption applies to Associate or Fellow members of CIMA, regardless of when they did their qualifying examinations, provided they:

- are current financial members of their association in good standing;
- have passed the full examination program and the required period of experience of CIMA;
- meet the criteria indicated for the Chartered Accountants Program exemptions (see below).

Important notes:

If you have received exemptions from any of the intermediate or advanced examinations of CIMA, the Institute may ask you for more detailed information about the original study on which the exemptions given by CIMA were approved. If this information is required, the Qualifications section will contact you after they have completed an initial review of your qualifications.

The exemptions do not apply to:

- members who have been admitted directly to CIMA membership via an alternative recognition agreement;
- student members or those who have passed the examinations but not yet completed the required practical experience component for CIMA membership;
- past, excluded or non-current members of CIMA.

Specific Chartered Accountants Program exemptions & criteria:

Management Accounting & Analysis (MAA) module

This exemption will be given to all CIMA members who have passed the formal examinations of CIMA, completed the required practical experience and are current Associates or Fellows of CIMA. If you were granted exemptions from some of your CIMA examinations we will still consider your applications but may ask you for further detailed information on your prior studies.

2. Tertiary bridging studies

Prior to enrolling in the Chartered Accountants Program all candidates are required to have completed studies in the core knowledge areas that are identified as prerequisites for the modules.

CIMA members meet all of these except for Auditing and Australian Laws and so bridging subjects must be undertaken through an Australian university in the following areas:

Australian Company Law and Taxation Law:

- CIMA members are required to pass an accredited subject in Australian Company Law, through an Australian university. Passing an Australian Tax subject is not a specific requirement however unless you have sufficient knowledge and experience in Australian Taxation Law you will find the Taxation module of the Chartered Accountants Program difficult.
- To assist in this regard, the Institute has approved some combined Company Law & Tax Law subjects at specific universities offering distance education and **strongly recommends** that you undertake one of these to ensure you are familiar with Australian company and tax law. By choosing one of the combined units you still only have to undertake one semester subject but get the benefit of bridging study in both law areas.

Auditing:

- CIMA members are also required to pass a subject in Auditing through an accredited Australian university.
- If you have completed a recognised degree (in Australia or overseas) in which you passed a subject in Auditing (in particular external auditing) an exemption can be considered. When you submit your qualifications for assessment, simply add a covering letter that draws our attention to the studies you would like us to consider in the area of auditing.
- The audit content of the CIMA examinations alone is not sufficient to allow an exemption from Auditing.

Please refer to the Institute's website via the following link for a list of accredited bridging subjects.

(www.icaa.org.au/upload/download/BridgingCorpTaxApprBodies_2005.pdf)

We recommend that you contact the Qualifications section at assess@icaa.org.au prior to enrolling in any subjects.

3. The Chartered Accountants Program

The Chartered Accountants Program is comprised of five modules and CIMA members receive an exemption from one of these modules.

It is important that you review the course outline of the Management Accounting & Analysis module for which you are given exemption as it will be presumed that you have previously attained the attributes and outcomes developed through these modules. The final module of the program, *Ethics & Business Application (EBA)*, is where all knowledge, skills and values previously acquired are consolidated and where candidates must apply what they have learnt in all other modules to solve problems, identify issues and provide solutions. In accepting exemptions you are also accepting that it is your responsibility to ensure that you have developed the knowledge, skills and values of the module for which you have gained exemption.

The Institute website provides comprehensive information on the modules, format and assessment required within the Chartered Accountants Program. It is vital that you read the Chartered Accountants Program Regulations and the information about enrolling in the Chartered Accountants Program that is available on our website.

4. Service Requirements

There are specific service (practical experience) and mentoring requirements for entry into the Chartered Accountants Program and membership.

As a member of CIMA it is most likely that you will already have at least three years of general accounting service that will satisfy the prerequisite service for entry into the Chartered Accountants Program. In addition to meeting the prerequisite service, when you enrol in the Chartered Accountants Program and whilst you are undertaking modules you must be employed within an organisation accredited by the Institute and be mentored by a recognised Chartered Accountant.

Before applying for membership of the Institute, in addition to completing the Chartered Accountants Program, you must have completed a total of either:

- Three years of practical experience (service) within an organisation accredited by The Institute and mentored by a recognised Chartered Accountant; OR
- Five years of practical experience (service) of which three years can be general relevant accounting experience and at least two years must be within an organisation accredited by The Institute and mentored by a recognised Chartered Accountant. (This is the most likely category that you will fall under as you should already have completed three years of relevant service to gain admission to CIMA. Thus, in your case, the specific mentored and accredited service requirement is reduced from 3 years to 2years).

Information about prerequisite and current service for the Chartered Accountants Program is provided in the Chartered Accountants Program Regulations (Regs 5 – 7). Information about the overall service requirements for entry to membership can be found in the Members' Handbook under R2 Regulation 106. These documents can be found on our website.

5. Making an application for Membership

The combination of your CIMA qualifications and the completion of the Chartered Accountants Program plus the experience you have gained (general and mentored) complement each other and ensure that you have developed the ten attributes identified by the Institute as key to becoming an Australian Chartered Accountant.

After you have passed the Chartered Accountants Program you will graduate with the Graduate Diploma (ICAA).

As soon as you have also completed the required service, the final step is to make a formal application for membership the Institute. Part of making this application is gaining references from current Australian CAs who can attest your competence.

In the Members' Handbook, By-law 10a and R2, Regulations 101 – 110 indicate what is required of a person making an application for membership after graduating from the Chartered Accountants Program. The actual applications form and a copy of these regulations can be found on our website.