

MENTOR GUIDELINES

GUIDELINES FOR MENTORS OF
ACCOUNTING TECHNICIAN
TRAINEES



NEW ZEALAND
INSTITUTE OF
CHARTERED
ACCOUNTANTS

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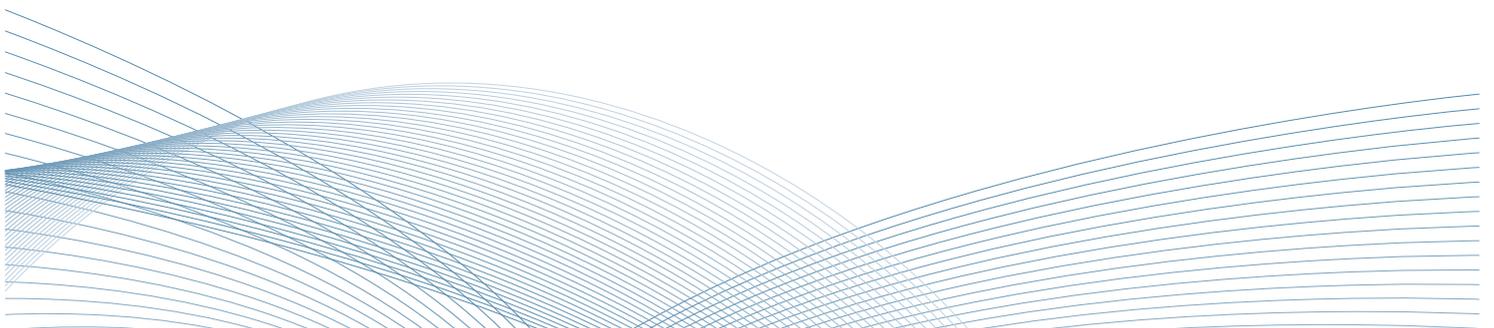
The New Zealand Institute of Chartered Accountants (the Institute) considers it vital that experienced members of the profession are involved in training prospective members.

Mentoring a trainee to become an Accounting Technician can be a rewarding experience. Mentoring a trainee will help you learn and develop new skills and techniques you can apply to your work.

These guidelines explain:

- *the role and responsibilities of a mentor*
- *the practical experience requirements for admission*
- *how to become a mentor.*

An application form to register as a mentor is provided at the back of this booklet.



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1.0 INTRODUCTION

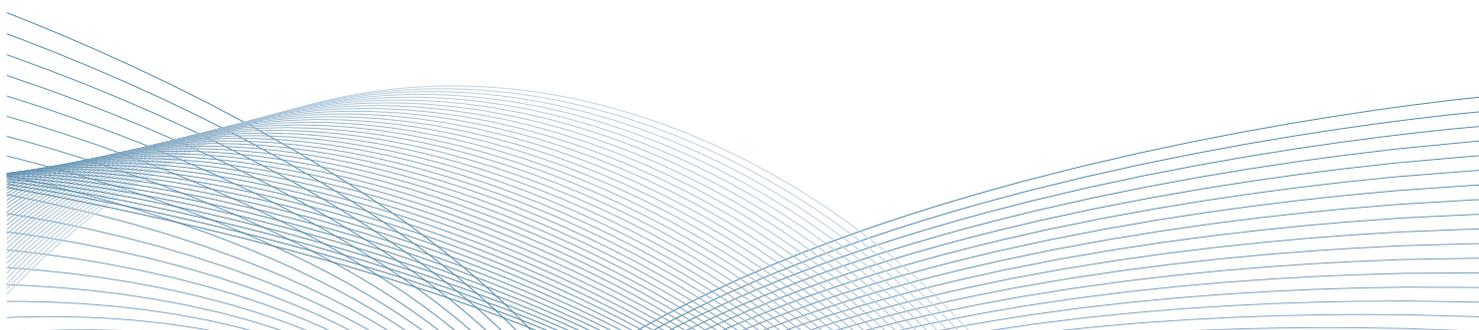
These *Mentor Guidelines* are intended to assist mentors understand their role in helping trainees complete the practical experience requirements to become a member of the New Zealand Institute of Chartered Accountants (the Institute).

The Institute is New Zealand's largest professional body. It represents the interests of over 29,000 members of the accounting profession working in New Zealand and in more than 90 other countries around the world, and has 18 branches, offices in three countries, and a world-leading suite of professional accountancy designations. The Institute upholds the standards, policies and services of the profession to the highest levels. Its members are trusted and sought after worldwide.

The Institute's admissions process is geared towards producing high-calibre accounting professionals – Chartered Accountants, Associate Chartered Accountants or Accounting Technicians – who are able to add value for their employers and clients as a result of the knowledge, skills and values they have developed through a rigorous and world-class education and development programme.

To become a member of the Institute, a candidate must successfully complete the Institute's education programme, including programmes of academic study, practical experience and professional competence.

Mentors play a significant part in training and developing trainees seeking admission to the Institute. As a mentor your role is to add value to the trainee during the period of practical experience by sharing your knowledge, wisdom and experience, and reporting on the trainee's attainment of practical experience in accordance with the Institute's requirements. Mentoring is designed to help trainees gain high quality, relevant practical experience.



2.0 OBJECTIVES OF THE INSTITUTE'S MENTORING SCHEME

Mentoring is the process whereby colleagues work together to identify how a trainee can learn from the expertise of an experienced professional. The goal of mentoring is to help the trainee to work more effectively and with greater competence and confidence, and ultimately fulfil the requirements to become a qualified Accounting Technician.

The Institute has introduced a mentoring scheme to enhance the practical experience component of its admissions policy. Mentoring is designed to help trainees gain high quality, relevant practical experience. The Institute considers it vital that experienced members of the profession are involved in training and monitoring prospective members. Mentors are best placed to verify that a trainee has gained practical experience suitable for admission.

As a mentor, your role is to add value to the trainee during the period of practical experience by sharing and imparting your knowledge, wisdom and experience, and reporting on the trainee's attainment of practical experience in accordance with the Institute's requirements.

In this document, the term "mentor" means an Institute-registered mentor.



3.0 YOUR ROLE AS AN INSTITUTE-REGISTERED MENTOR

To effectively carry out your role as mentor, you should ensure you are based in the same organisation as your trainee, or have regular contact with their organisation. You should ensure you have the time available to commit to the role of mentor: you should not act as mentor to more than four trainees at one time.

3.1 The mentor's obligations

Mentors have a number of specific obligations and responsibilities in the mentoring relationship. You are responsible for the following:

- **Register as a mentor with the Institute**

You should apply to be a registered mentor with the Institute as soon as you have agreed to be a mentor for a trainee. You can register to be a mentor at any time in advance of having a trainee and becoming an 'active' mentor.

- **Act as a guide, coach and role model for the trainee**

You will be responsible for acting as a role model for the trainee, exhibiting a high level of professionalism at all times. You will also be expected to guide and coach the trainee through any difficult or challenging situations they may face.

- **Develop a training plan, in conjunction with the employer and trainee**

Together with the trainee and the trainee's employer, you should develop a training plan showing how the trainee will meet the Institute's practical experience requirements.

- **Meet regularly with the trainee to review experience gained and set objectives for the next period**

The admissions policy requires that all trainees undertake a period of practical experience that is planned, monitored and reviewed regularly. One of your primary roles as a mentor is to review the experience the trainee gains and verify that the experience is in line with the Institute's requirements. You should meet formally with the trainee every three months to review the experience gained. At these meetings you should review the training plan, sign off any competencies achieved, and set objectives for the next period to ensure that the trainee's experience is progressing in line with the Institute's requirements.

- **Verify the record of practical experience**

You will be responsible for verifying the record of the practical experience gained by the trainee against the Institute's practical experience requirements.

The trainee is responsible for keeping a detailed record of the experience they gain. As the mentor, you are required to verify how the experience gained meets the Institute's requirements. This task should be conducted during regular meetings with the trainee.

- **Complete the Mentor's Final Report to accompany the trainee's application for membership**

When you are satisfied that the trainee has completed the practical experience requirements for admission to the College of Accounting Technicians, you should complete the Mentor's Final Report. The Mentor's Final Report is your verification that the trainee's practical experience fulfils the Institute's requirements.

- **Help transfer information to a new mentor**

If your relationship as a mentor finishes before the trainee has completed the practical experience requirements, you will be responsible for ensuring that the documentation held by the trainee is a complete and accurate record of their experience up to that date. You will need to complete a Mentor's Interim Report, describing your mentoring relationship and including any other comments that are appropriate. The trainee should then hand the interim report to the new mentor who will attach it to the Mentor's Final Report. If you are the trainee's second or third mentor, you should ensure that you receive sufficient documentation about the trainee's previous experience, including an interim report completed by the trainee's previous mentor(s).

3.2 Establishing the mentoring relationship

Mentoring and a training programme will only be successful if it is planned carefully and realistically in an objective and professional way. First you and the trainee should formally plan how the objectives of the mentoring programme can be achieved in a way that suits you both, and clarify each other's expectations.

At the outset, it is important for you and your trainee to agree on:

- when and how often you will meet to review progress
- what you should each bring to meetings
- what "style" of mentoring will suit each of you
- what you should expect of each other
- the goals and outcomes from the relationship
- who is responsible for what
- the communication that needs to happen between you and the trainee.

If you are also the trainee's direct line manager you should discuss boundaries between management issues and mentoring issues.

At the beginning of the mentoring relationship you should develop a training plan on how the trainee will meet the Institute's practical experience requirements. The training plan should be developed in conjunction with the trainee and their employer. (See section 6.0).

3.3 Roles and responsibilities of mentors and provisional members

The roles and responsibilities of mentors and provisional members are set out below:

The trainee is responsible for:	The mentor is responsible for:
Finding a mentor and managing the relationship	Registering as a mentor before the commencement of the period of specified practical experience
Keeping a record of the experience they have gained	Acting as a guide, coach and role model for the trainee
Developing the training plan in conjunction with the employer and the mentor, taking responsibility for documenting the plan	Developing the training plan in conjunction with the trainee and the employer
Ensuring the records of experience are signed off quarterly	Meeting regularly with the trainee to review experience gained and set objectives for the next period
Completing the period of practical experience	Helping transfer information to a new mentor if required
Advising the Institute of any change in their situation (eg, change of mentor or employer)	Completing an <i>Mentor's Interim Report</i> if the trainee changes mentor and/or employer
Enrolling in PCE 1 when appropriate	Supporting the trainee to prepare for PCE 1 and verifying the experience gained for enrolment purposes
Preparing for and successfully completing PCE 1	Completing the <i>Mentor's Final Report</i> to accompany the trainee's application for admission when appropriate

3.4 Dispute resolution process

If the mentoring relationship is not working satisfactorily for you and the trainee you should attempt to resolve the dispute in line with processes within the employing organisation. If there is an irreconcilable breakdown in the relationship, either party may wish to contact the Institute for assistance in resolving the problem.

The Institute's dispute resolution process consists of the following steps:

1. The disputing parties, where possible, resolve the dispute between themselves.
2. If unsuccessful, the disputing parties attempt to resolve the dispute by way of mediation within the employing organisation.
3. If step 2 is unsuccessful, either party can contact the Institute for general advice on the dispute resolution procedure or for an interpretation of the Institute's requirements and specific advice on the resolution procedure.
4. Where the nature of the dispute involves a claim of unethical behaviour, the claimant will be advised by staff to engage in the Institute's formal complaints process and referred to the Professional Conduct division.
5. Both parties must agree in writing to the mediation process (Agreement to submit to mediation) and specifically accept the Institute-appointed mediator who mediates on behalf of the Institute. The purpose of the appointment is to ensure impartiality in decision-making. (Note that mediation is an Institute service provided to members and provisional members free of charge.)
6. The mediator is required to take all reasonable steps to ensure that the rules of natural justice are observed in the conduct of the mediation.
7. The mediator is briefed by an appropriate Institute staff member on the dispute case and is asked to undertake face-to-face mediation and review any written documentation that is available to staff regarding the dispute.
8. The mediator will give each party the opportunity to comment on the submission and evidence of the other before the parties reach a decision.

On completion of steps 1 to 8, the disputing parties may decide to either enter step 1 again (and the subsequent steps), or solve their differences by engaging in an arbitration process with a suitably qualified arbitrator. On request, the Institute will provide you with a list of qualified arbitrators. The cost of the arbitration will be borne by the applicant(s), not the Institute.

4.0 PURPOSE OF PRACTICAL EXPERIENCE

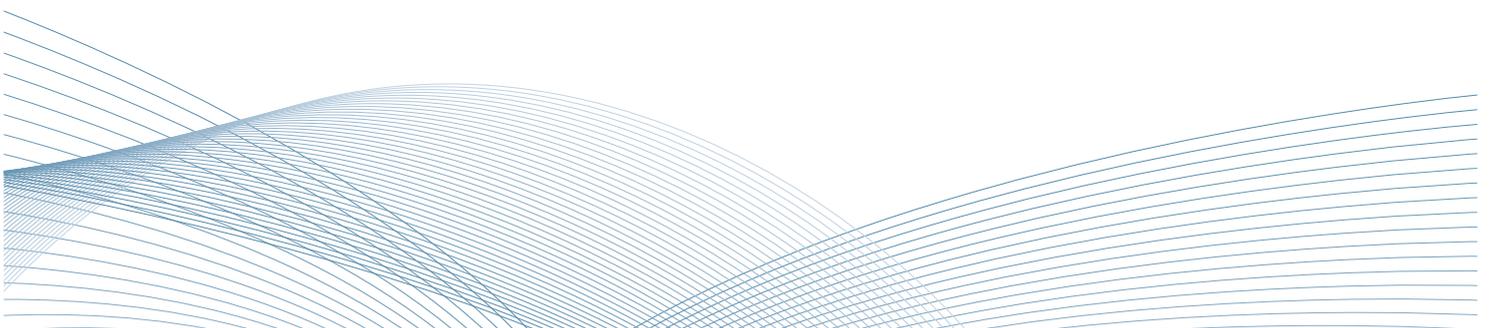
4.1 Practical experience is a vital component of the admission process

A trainee's practical experience is a vital step towards qualification as a member of the Institute. It provides an opportunity to:

- build on academic qualifications by applying theoretical knowledge in practical, real, situations
- exercise, develop and apply specific professional skills and competencies that can be applied in a variety of situations, including:
 - personal skills
 - attributes of judgement
 - initiative
 - objectivity
 - administrative ability
 - ability to motivate and supervise others
 - communication skills.

A training programme should help trainees to:

- enhance their understanding of organisations, of how business works, and of work relationships
- be able to relate accounting work to other business functions and activities
- become aware of the environment in which accounting services are provided
- develop the appropriate professional values, ethics and attitudes in practical, real-life situations
- have an opportunity to work at progressive levels of responsibility.



5.0 COMPETENCE

5.1 What is competence?

For the purposes of the Institute's practical experience programme, competence is defined as:

The ability to perform the activities within an occupation to a defined standard, consistently and over time.

5.2 The Institute's competence framework

The Institute has developed a competence framework to define the various levels of competence expected for admission to each College and also of those operating in specialist roles after qualification.

Level 1 - Foundation	Working under supervision and carrying out tasks of a low level of risk and complexity using established processes. Makes judgements of quality using given criteria.
Level 2 – Intermediate	Working as part of a team and carrying out some tasks independently, being responsible for the quality of own work. Exercises judgement within established parameters.
Level 3 – Senior	Managing your own work and being responsible for the quality and quantity of the work you do. Exercises professional judgement. May be responsible for leading a team and managing certain functions.

At a minimum, trainees seeking to become Accounting Technicians are expected to achieve practical experience to Level 1 (Foundation), trainees seeking to become Associate Chartered Accountants will achieve practical experience to Level 2 (Intermediate), and those trainees seeking to become Chartered Accountants will achieve practical experience to Level 3 (Senior).

Within the competence framework, the Institute has developed a range of technical and non-technical competencies appropriate for each level.

5.3 Technical competencies

Technical competencies are prescribed in seven key areas of accounting work:

- accounting information systems
- auditing
- external reporting
- financial management
- insolvency and reconstructions
- management accounting
- taxation.

To become an Accounting Technician, trainees must develop all the competencies in at least two of these areas to Level 1, OR in at least one area to Level 2.

Structure

The competencies include detailed descriptions of tasks underlying each competency statement. These can be used as performance criteria to assess achievement against the competency statement. Provisional Accounting Technician members are expected to achieve the majority of the tasks for each of their chosen areas at the required level.

5.4 Non-technical competencies

In addition to the specific technical competencies across the seven areas of accounting, provisional Accounting Technician members are required to develop various non-technical competencies. These competencies are developed through the academic component, the professional competence programme, and finally developed and applied through the period of practical experience. These are competencies required by all accounting professionals, and include capabilities in:

- teamwork
- organisational skills
- research and evaluation
- problem solving
- exercising ethical and professional behaviour
- communication and interpersonal skills.



6.0 DEVELOPING A TRAINING PLAN

While training plans are not compulsory, it is recommended that you, together with your trainee and the trainee's employer, develop a training plan at the beginning of the period of practical experience to map how the trainee will achieve the required competencies.

A clear understanding of all parties' authorities, responsibilities and accountabilities regarding practical experience and training, including the Institute's requirements, will benefit everyone.

6.1 Why are training plans important?

A training plan is an important roadmap for how the trainee will achieve the required competencies for membership. It is strongly recommended that you, together with the trainee and the employing organisation, develop a training plan at the beginning of the period of specified practical experience.

The training plan should set goals and objectives, and assign indicative timeframes for these to be achieved.

In developing the training plan, you need to consider:

- the competencies required for membership of the Institute
- the work objectives and requirements of the employer
- the training available through the employer
- the trainee's interests and intended career path.

Some larger employers may have developed a standard training plan for trainees who are trying to complete the Institute's requirements – if so, this should be reviewed and any suggested changes discussed and agreed with all parties.

You and the trainee should ensure that the training plan is reviewed and updated regularly (for example, every three months).

6.2 Components of a training plan

There is no standard format for a training plan; however it might include the following:

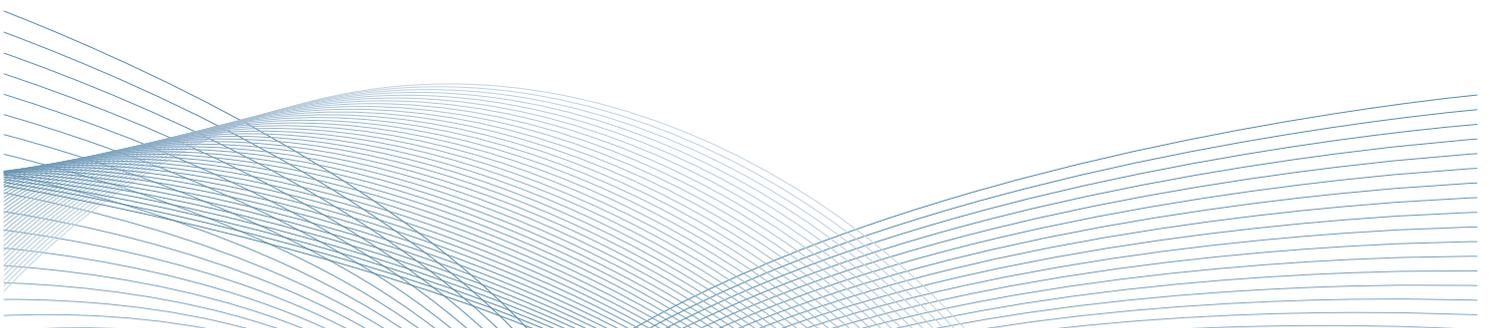
- competencies required by the Institute (technical and non-technical)
- how these competencies might be developed to the required level through various different development solutions (for example, work experience, on-the-job training, coaching, training courses, books, computer-based learning solutions)
- the support and resources required
- the priority and timeframe for the competency to be developed
- date for review of progress.

The training plan might also incorporate the employer's performance management system competencies, and other competencies required for the trainee's long-term career objectives.

6.3 Process to develop a training plan

1. Choose the areas of competency to be developed:
 - consider the work role and responsibilities of the trainee
 - consider the programme of practical experience offered by their organisation
 - consider the trainee's interests and intended career path.
2. Identify opportunities to engage in activities and tasks that will enable the development of individual competencies:
 - consider other work opportunities available in the organisation
 - consider what other training opportunities may be available through the organisation
 - consider incorporation of the competency standards with the trainee's development objectives within their organisation's performance management system.
3. Assign timeframes for development of certain competencies (for example, break down objectives to quarterly goals):
 - consider the employer's priorities
 - ensure sufficient time is allowed to develop competence
 - consider if the scheduling of work tasks, roles and activities can be realistically accommodated within the employing organisation
 - ensure activities are appropriately structured to build up to the required level of competence.
4. Identify what other supporting resources may be required for the development of each competency:
 - consider what other resources are available within the organisation (for example, other staff, on-the-job training, coaching)
 - consider external resources that might be required to support the development of competence (training courses, books, computer-based learning solutions).
5. Assign timeframes for when competency development is to be reviewed and assessed:
 - consider project timeframes
 - assign a tentative date for achieving competence.
6. Agree when the training plan is to be reviewed by the mentor and trainee:
 - consider the timeframes identified for development of individual competencies
 - consider how often the mentor and trainee should meet to review progress.

More information about training plans, including examples, can be found at www.nzica.com



7.0 MONITORING AND VERIFICATION OF COMPETENCE BY MENTORS

As a mentor, you are responsible for monitoring and verifying the experience gained and competencies developed by the trainee.

Throughout the period of practical experience, you should be meeting regularly with the trainee to monitor and review competency development against the training plan.

The competencies are prescribed at different levels, and trainees are required to develop all the competencies in their chosen areas to the appropriate level. Development should be closely monitored, and trainees assigned increasing levels of responsibility, as appropriate, to develop competence to the required level.

Your verification that the trainee has achieved the required level of competence should be recorded as sign-offs through the training plan or other record. The trainee is responsible for retaining all records of their practical experience, but it is advisable that you retain copies for your own reference, and in case of any discrepancies. Trainees should be required to provide one or two examples demonstrating how they have developed each competency, consistently and over time, throughout the period of specified practical experience. It is possible to demonstrate development of competency across a range of areas (technical and non-technical) through one project or piece of work. You should review the evidence provided and sign off each competency as it is reached.

If you are also the trainee's direct line manager, you are likely to be involved in monitoring their performance as part of the organisation's performance appraisal system. Evidence gathered from the performance appraisal system can be used to substantiate the trainee's development of the competencies required for membership of the Institute. Many of the non-technical competencies (for example, teamwork, communication and interpersonal skills) are likely to be part of your organisation's performance appraisal system, and it may save some time to merge the two systems.

When you are satisfied the trainee has developed all the required competencies to the appropriate level, you should complete the Mentor's Final Report.

It is important that your trainee maintains complete records of their practical experience, as the Institute may request to see these when they submit the application for membership.

8.0 THE MENTOR'S FINAL REPORT

The Mentor's Final Report is your verification, as mentor, that the trainee has developed the required competencies to the appropriate level.

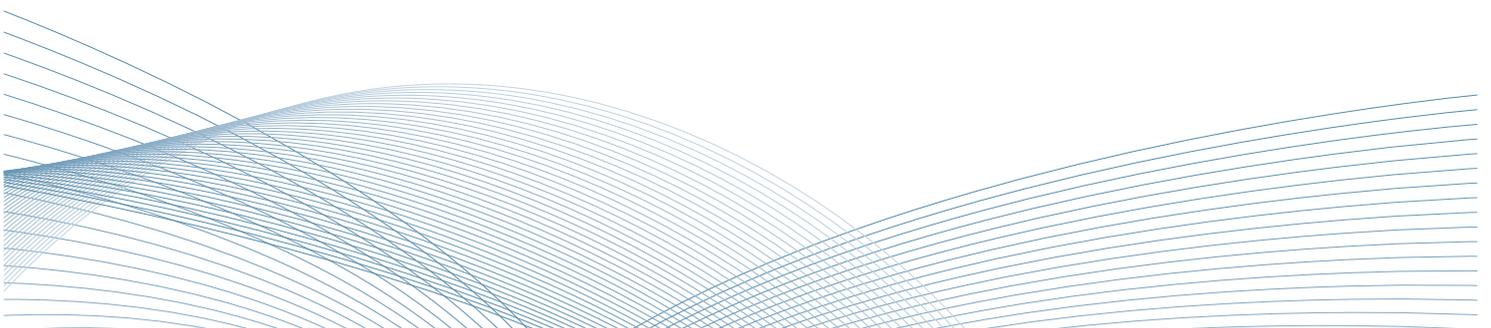
When you and the trainee are satisfied that the trainee has completed the practical experience requirements, you should formally meet to review the mentoring relationship and the experience completed by the trainee. You should complete the Mentor's Final Report, describing the mentoring relationship and verifying that the experience completed by the trainee meets the Institute's practical experience requirements. The Mentor's Final Report must accompany the trainee's application for membership.

A copy of the Mentor's Final Report form is provided at the end of this booklet.

8.1 Mentor's Interim Report

Trainees would normally complete the practical experience in one organisation and with one mentor. However, this may not always be possible. If the mentoring relationship does end during the period of practical experience, you should complete a Mentor's Interim Report as well as ensuring all records regarding the period of practical experience, including the training plan, are complete and up-to-date.

A copy of the Mentor's Interim Report form is provided at the end of this booklet.



9.0 FREQUENTLY ASKED QUESTIONS

When does a trainee need to have an Institute-registered mentor?

A trainee needs to have an Institute-registered mentor before commencing specified practical experience. If you have agreed to be a mentor for a trainee, then you should apply to become a registered mentor with the Institute immediately. An application form is provided at the back of this booklet. Any practical experience the trainee gains before you are a registered mentor will be considered general practical experience and will not count towards the period of specified practical experience.

I am an Accounting Technician – can I act as mentor to trainees completing specified practical experience for admission to the AT and the ACA Colleges?

As an Accounting Technician, you can act as mentor for trainees completing specified practical experience for admission to the College of Accounting Technicians. Trainees working towards admission to the College of Associate Chartered Accountants require mentors who are either Associate Chartered Accountants or Chartered Accountants. Trainees working towards admission to the College of Accounting Technicians may have mentors who are Accounting Technicians, Associate Chartered Accountants or Chartered Accountants.

I am the trainee's supervisor; can I be the trainee's mentor as well?

Yes. The Institute considers a supervisor may perform both roles effectively if the trainee is comfortable with this arrangement. However, you should ensure you are aware of the distinction in the responsibilities of these separate roles when you are assuming the role of mentor.

How many trainees can I act as mentor for?

You should mentor no more than four trainees at any one time.

My trainee has completed one year of specified practical experience, and has asked me to sign off the Mentor's Final Report. However, I am not satisfied the trainee has fulfilled the practical experience requirements. What should I do?

The one year of specified practical experience is stated as a minimum period only. Some trainees will develop the required competencies in the minimum period, and others will take longer.

The Institute relies on mentors to determine when a trainee has satisfied the practical experience requirements for admission. By signing off the Mentor's Final Report, you are confirming that the trainee has met the required competencies for admission. If you are not satisfied that the trainee has met the practical experience requirements, you should not complete the Mentor's Final Report. You should discuss this with the trainee, identifying those competencies that require further development and agreeing a plan as to how these competencies will be achieved.

I have been acting as a mentor to a trainee for the last six months and have realised I am not registered with the Institute as a mentor. How will this impact on the trainee's experience gained under my guidance?

You should apply to be registered as a mentor immediately. The trainee's experience cannot be recognised as specified practical experience unless you are registered with the Institute. However, if you can provide documentary evidence that an appropriate mentoring relationship existed for the total duration of the trainee's specified practical experience, and you

monitored and regularly signed off a well-maintained log of the specified practical experience over the period, then the Institute may consider recognising the trainee's experience.

I have been acting as a mentor to a trainee and am leaving my current place of employment. My successor is to take over the mentoring role for my trainee. What do I need to do?

You should ensure that the trainee holds detailed records, which you have verified, of the practical experience gained under your guidance. You should ensure that these records identify the competencies that have been developed and to which level. You should complete an interim report describing the period of the mentoring relationship, and verify the areas in which the trainee has gained specified practical experience. The trainee should advise the Institute of the new mentoring relationship and ensure the new mentor is registered.

I am an Accounting Technician, having qualified with another professional accounting body, and do not hold membership of the New Zealand Institute of Chartered Accountants. Can I act as a mentor to a trainee who wishes to join the New Zealand Institute of Chartered Accountants?

If you are a qualified Accounting Technician or Chartered Accountant and you are a current member of another accounting body that is a member body of the International Federation of Accountants, you might be eligible to become an Institute-registered mentor. Please contact Registry Services to discuss your eligibility.

I have been approached to act as mentor to a trainee who is employed by another organisation. Can I do this?

Yes. You should ensure that you have regular contact with the trainee and the organisation where the trainee works to enable you to effectively monitor and report on the experience gained. In this situation it is vital that you and the trainee formally meet on a regular basis, for example, monthly.



10.0 HOW TO BECOME AN INSTITUTE-REGISTERED MENTOR

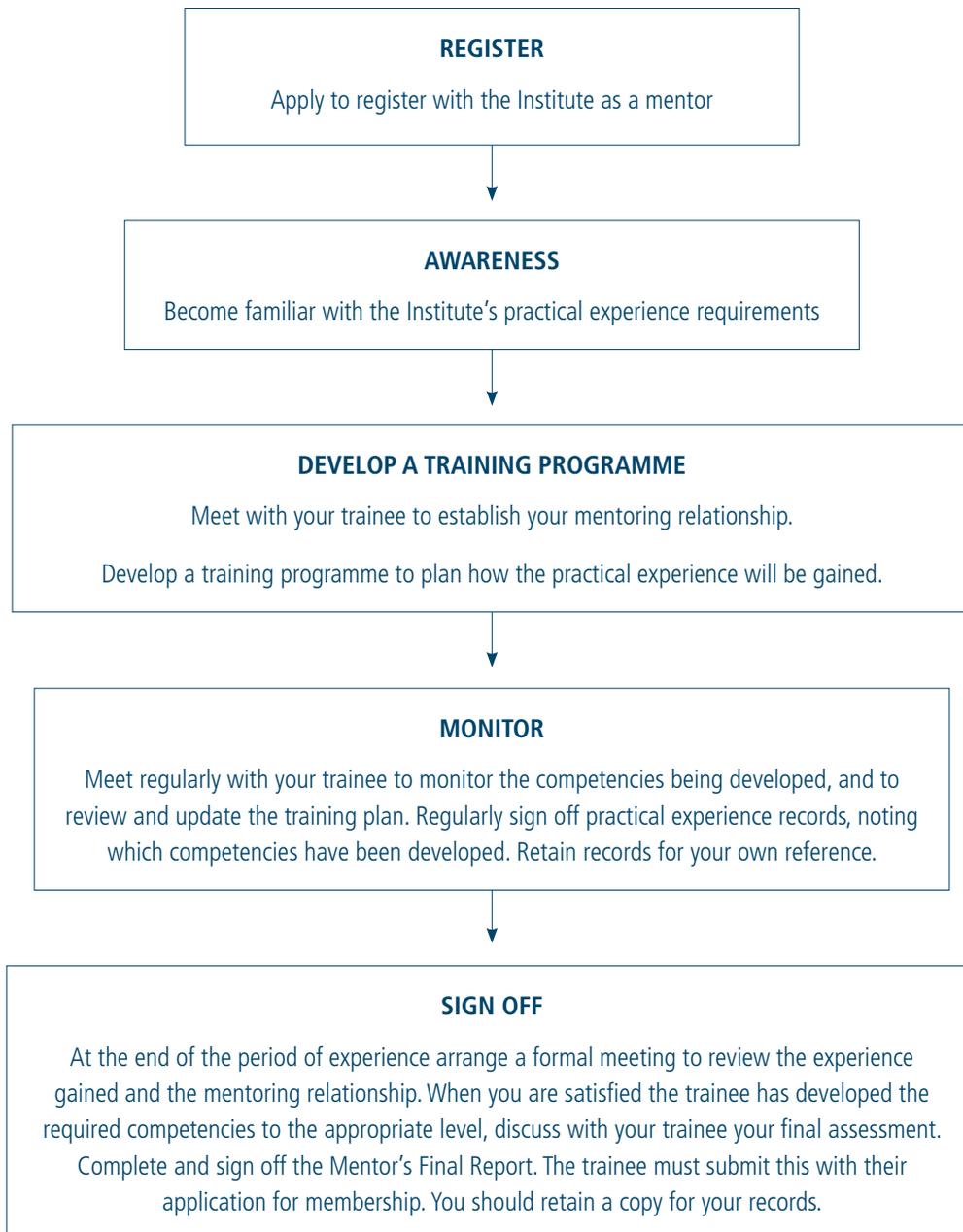
10.1 Criteria to become an Institute-registered mentor

A mentor is an experienced member of the profession who possesses the required knowledge, skills and professionalism to undertake a mentoring role. All mentors must be registered with the Institute. In addition to professional membership, the following is a list of criteria the Institute expects mentors to satisfy:

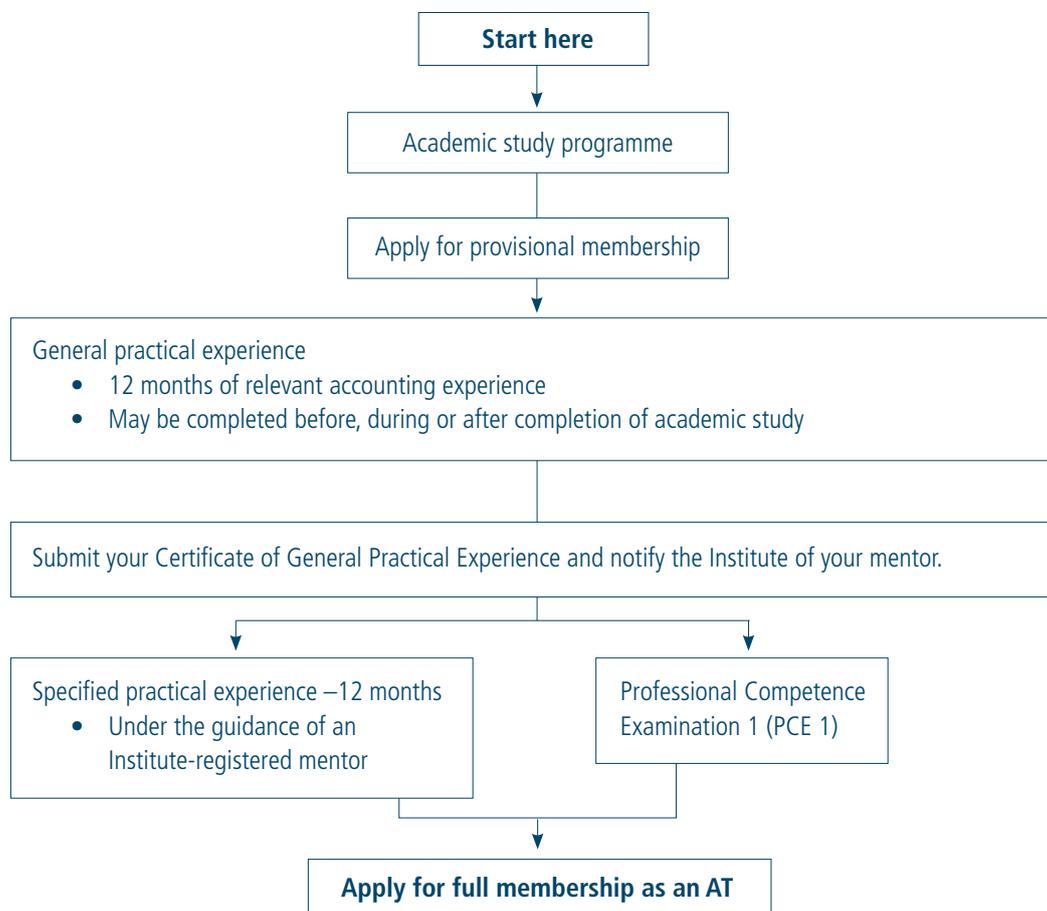
- knowledge of the Institute's admissions policy
- current knowledge of the technical aspects of the practical experience required for admission
- current knowledge of issues facing the profession
- ability to counsel, advise, motivate and provide direction to the trainee
- interest in training future members
- availability for regular consultation with the trainee
- sufficient seniority (in the trainee's place of employment, as appropriate) to undertake the responsibilities of being a mentor
- recognition as a role model
- based in the same office as the trainee, or has the ability to make regular contact with the office.

While there is no minimum period for which a prospective mentor should be an Institute member, the Institute recommends that mentors should have four years' experience as a qualified member of hold a management position in the organisation where the trainee is employed.

11.0 KEY MILESTONES IN THE MENTORING RELATIONSHIP



12.0 PATHWAY TO MEMBERSHIP



12.1 Detailed practical experience requirements

Trainees wanting to become Accounting Technicians are required to complete a minimum of:

- one year of general practical experience
- one year of specified practical experience.

The general practical experience may be gained:

- before, during or after completion of the academic component
- with no more than three employers
- with or without an Institute-registered mentor.

The specified practical experience is gained:

- after completion of the academic component and one year of general practical experience
- ideally, while registered as a provisional member with the Institute
- with an Institute-registered mentor.

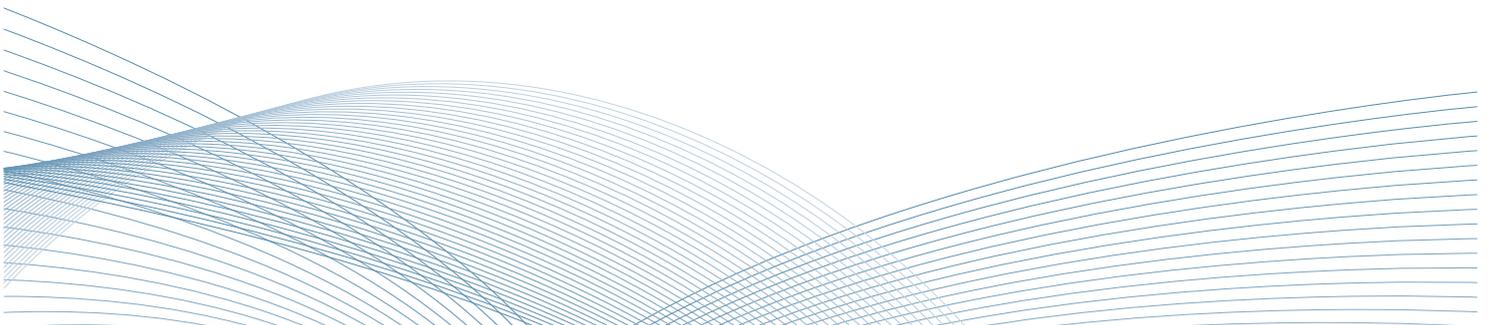
Practical experience can be gained in all sectors – public sector, corporate sector, public practice, and the academic environment. Experience can be gained in New Zealand or overseas.

Specified practical experience will usually be gained during full-time continuous employment with a single employer, but may be gained over a 36 month period with no more than three employers.

Content of experience

The Institute has a competency framework which prescribes a range of competencies of differing levels across seven accounting functions, including:

- accounting information systems
- auditing
- external reporting
- financial management
- insolvency and reconstructions
- management accounting
- taxation.



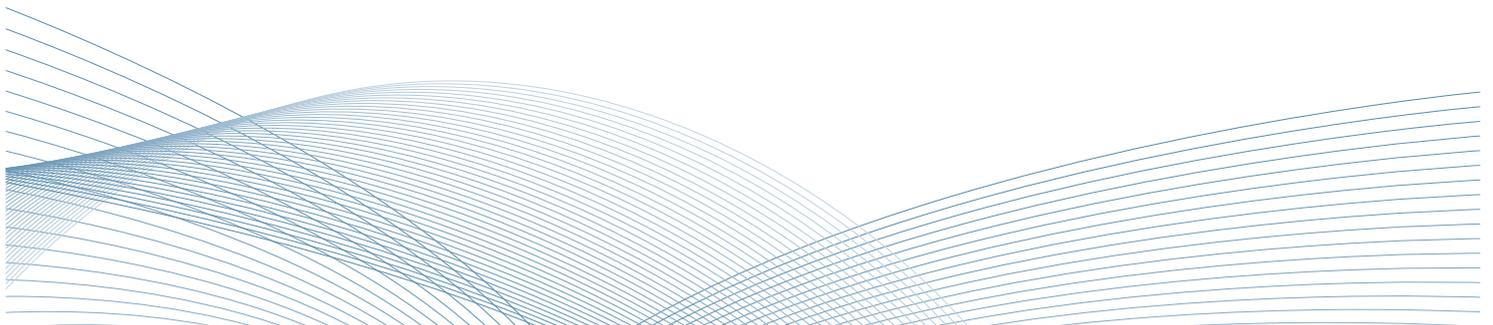
To become an Accounting Technician, trainees must gain competencies in at least two of these areas to level 1, or in at least one area to level 2.

Trainees must also gain non-technical competencies to level 1, including:

- teamwork
- organisational skills
- research and evaluation
- problem solving
- exercising ethical and professional behaviour
- communication and interpersonal skills

It is likely that one particular job or task a trainee undertakes will provide them with an opportunity to demonstrate competence in more than one area. Development of the required competencies may take longer than the minimum period of time stated in the Institute's policy; timeframes are indicative only. Trainees cannot complete your specified practical experience in less than one year.

It is also possible to gain practical experience in academic work. Please contact the Institute to confirm experience requirements in this area.



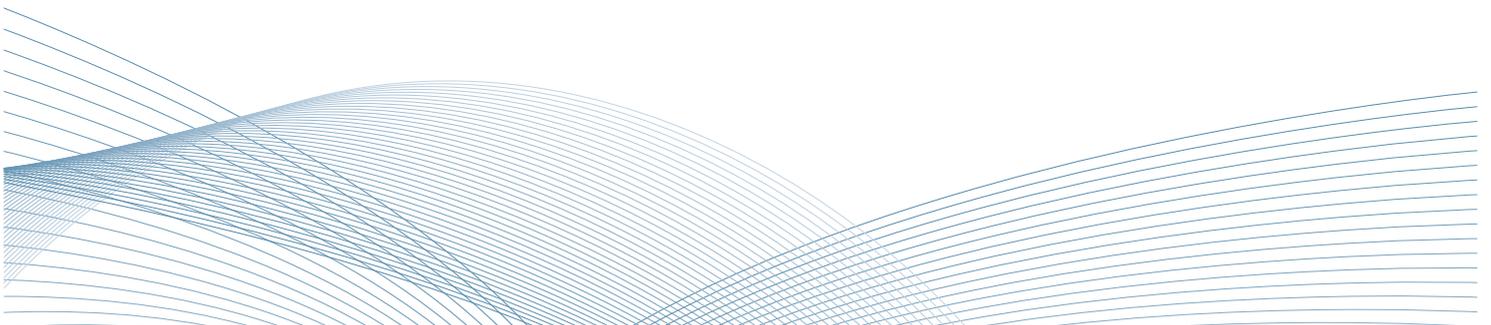
13.0 COMPETENCIES FOR ADMISSION

Structure of competencies

Each of the technical competencies in the seven areas is supported by tasks which are indicative of the required tasks needed to demonstrate competence.

To develop each competency, trainees would normally be expected to demonstrate they have met the majority of tasks supporting that competency.

A trainee needs to produce evidence to the mentor that they have done the work consistently and over time, and that their work meets the required levels prescribed here.



ACCOUNTING INFORMATION SYSTEMS

Level 1 Competency

AIS 1 Use under supervision appropriate information systems and tools to solve business and accounting problems

- Use information systems to achieve a particular accounting outcome
- Operate and use relevant software (word processing, spreadsheets, databases, internet tools, presentation software, etc) to achieve a particular accounting outcome
- Understand and use accounting software

AIS 2 Participate in assessing accounting information systems

- Assist to identify user needs
- Assist to document costs and benefits of proposed solutions
- Assist to identify potential weaknesses in internal controls in accounting information systems

AIS 3 Maintain security of data

- Assist to identify data risks
- Maintain security and confidentiality of data
- Perform system back-ups as required
- Comply with any legal requirements

ACCOUNTING INFORMATION SYSTEMS

Level 2 Competency

AIS 1 Apply appropriate information systems and tools to business and accounting problems

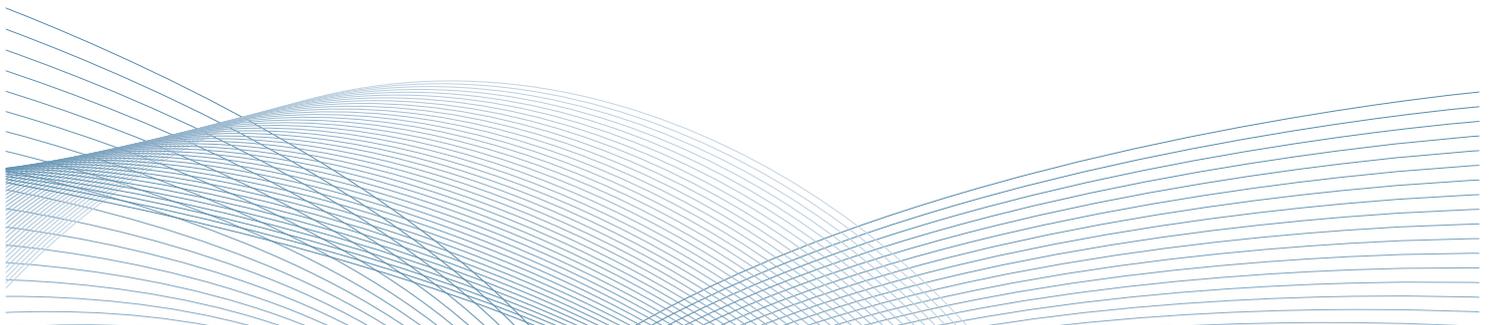
- Use information systems to achieve a particular accounting outcome
- Operate and use relevant software (word processing, spreadsheets, databases, internet tools, presentation software, etc) to achieve a particular accounting outcome
- Understand and use accounting software

AIS 2 Assist to assess accounting information systems and develop an organisation's accounting information systems strategy

- Identify and assist to document user needs
- Consider and assist to document costs and benefits of proposed solutions
- Assist to evaluate effectiveness and efficiency of accounting information systems
- Report on potential weaknesses in internal controls in accounting information systems

AIS 3 Assist to design and manage accounting information systems installations and upgrades

- Assist to identify and evaluate alternatives for accounting information systems packages
- Assist to design and manage, or advise on, systems installations and upgrades
- Assist to design and implement accounting information systems using accounting software



AUDIT

Level 1 Competency

A 1 Understand and participate in the audit process

- Participate as part of the audit team within defined areas of responsibility
- Become familiar with the nature and activities of the client organisation, including information systems, relevant documentation, results of previous audits or reviews, and understand risk areas
- Gather audit evidence and consider conclusions
- Conduct audit tests according to requirements
- Identify any unusual items or issues and report them to the audit supervisor
- Complete audit working papers
- Develop working liaison with the relevant staff of the client organisation

A 2 Contribute to the completion of the audit assignment

- Contribute to the conclusions and evidence to support draft audit reports
- Make appropriate and relevant recommendations, within defined areas of responsibility

AUDIT

Level 2 Competency

A 1 Implement audit procedures

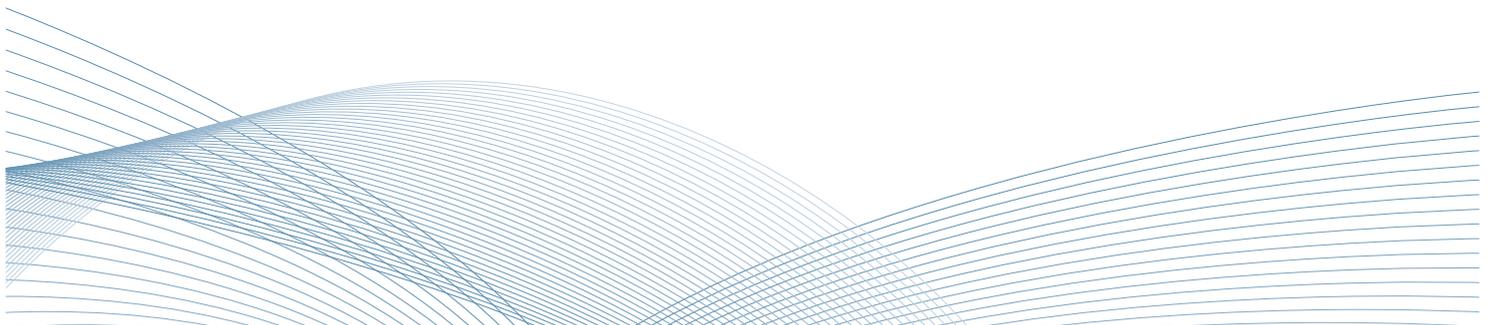
- Understand the scope, objective and terms of reference of the audit
- Become familiar with the nature and activities of the client organisation, including information systems, relevant documentation, results of previous audits or reviews, and understand risk areas
- Become familiar with the audit plan
- Gather audit evidence and make preliminary evaluations
- Complete audit working papers
- Develop working liaison with the relevant staff of the client organisation
- Monitor project timelines and other performance indicators

A 2 Assist to examine compliance

- Gather data relating to a range of compliance requirements
- Form preliminary conclusions based on evidence gathered

A 3 Be aware of audit reporting process

- Contribute to the preparation of the audit report



EXTERNAL REPORTING

Level 1 Competency

ER 1 Process source documents

- Understand the chart of accounts
- Enter data in a manual and/or computerised system
- Prepare and ensure the security of payments

ER 2 Prepare ledger balances and an initial trial balance

- Calculate cash received and reconcile against bank statements
- Balance ledger accounts and reconcile to control accounts
- Identify and correct errors in ledger accounts and prepare trial balance

ER 3 Maintain financial records and prepare accounts

- Maintain records relating to capital acquisitions and disposal (calculate depreciation, maintain asset registers, reconcile fixed assets register to main ledger)
- Collect and collate information for the preparation of final accounts
- Prepare profit and loss account and balance sheet

ER 4 Draft financial statements

- Draft financial statements in accordance with accepted format and conventions, ensuring compliance with relevant standards and pronouncements
- Draft supporting notes, schedules or reports
- Assist to develop and update reporting distribution lists

EXTERNAL REPORTING

Level 2 Competency

ER 1 Apply accounting standards

- Identify standards and pronouncements relevant to the individual task
- Apply relevant standards and pronouncements appropriately

ER 2 Understand the external reporting policies of an entity

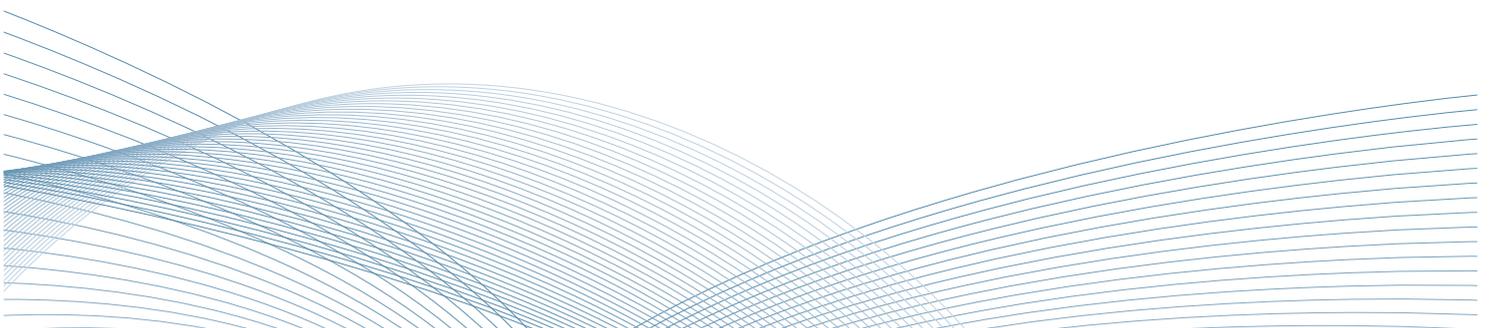
- Become familiar with the critical reporting requirements (including any regulatory and other requirements)
- Understand user needs
- Assist to develop a reporting timeline
- Contribute to the development of a statement of objectives and service performance

ER 3 Use and evaluate accounting and information systems

- Review and analyse specifications of information systems
- Review operation of information systems and evaluate reliability of outputs
- Understand source and methods of acquiring necessary inputs
- Maintain ability to operate information systems effectively and to evaluate outputs required

ER 4 Prepare reports in accordance with requirements and policies

- Understand how to select appropriate data and documentation
- Understand the process of evaluating information systems required to provide input data
- Assist to develop and update reporting distribution lists



FINANCIAL MANAGEMENT

Level 1 Competency

FM 1 Assist to analyse and advise on the financial implications of an organisation's strategy

- Collect relevant financial and non-financial data to analyse financial position, performance and solvency
- Analyse data using specified financial and non-financial indicators, as instructed
- Assist to prepare information for reports

FM 2 Participate in developing an organisation's financial strategies

- Understand the organisation's objectives, strategies and business plans in financial terms
- Participate in discussions relating to development of financial strategies
- Collect and analyse data contributing to risk strategies

FM 3 Implement an organisation's financing operations

- Invest funds in specified areas as instructed
- Develop cashflow budgets
- Monitor and report on cashflow
- Investigate variances from budget

FINANCIAL MANAGEMENT

Level 2 Competency

FM 1 Analyse and advise on the financial implications of an organisation's strategy

- Identify and collect relevant financial and non-financial data to analyse financial position, performance and solvency
- Analyse relevant data using appropriate financial and non-financial indicators and benchmarks
- Assist to identify and evaluate options for funding structures, investments, etc
- Assist to report on the entity's situation in terms of strategy, operations, risk profile and possible options from both an operational and governance perspective

FM 2 Assist to develop an organisation's financial strategies

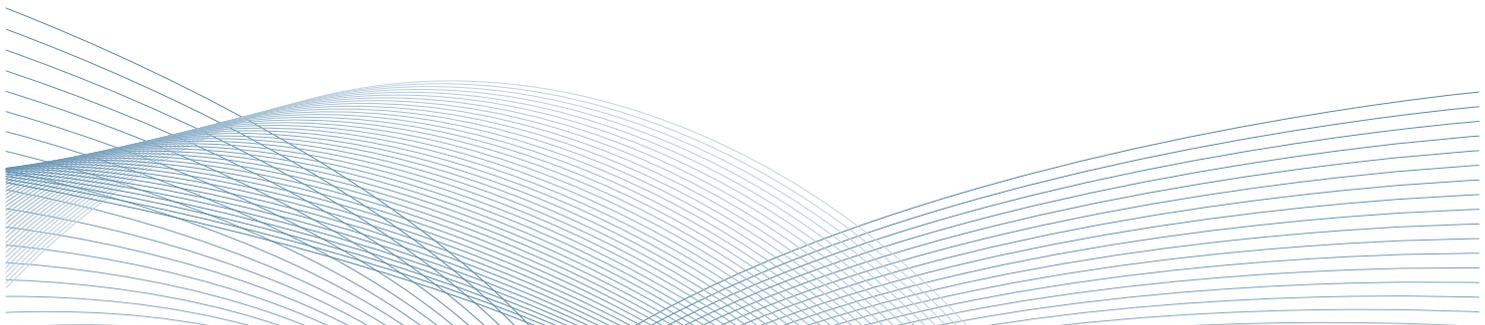
- Analyse the organisation's objectives, strategies and business plans in financial terms
- Analyse present or projected financial position
- Participate in developing a risk strategy
- Participate in developing financial strategies

FM 3 Participate in managing financial risks for an organisation

- Identify and measure current and potential risk exposures
- Participate in developing policies and processes to manage risk exposures

FM 4 Implement an organisation's financing operations

- Implement the capital structures and liability portfolios of an organisation
- Invest surplus funds
- Monitor cash flow
- Contribute to the preparation of reports for management



INSOLVENCY AND RECONSTRUCTIONS

Level 1 Competency

IR 1 Become familiar with the insolvency or reconstruction plan

- Understand the scope, objective, stakeholders and terms of reference of an insolvency or reconstruction engagement
- Understand the engagement plan

IR 2 Assist in liquidations and the winding up process when turnaround is not feasible

- Understand and apply legislation appropriate to the form of administration
- Assist to identify and realise assets
- Prepare documentation

IR 3 Assist to report on outcomes

- Prepare cash summaries and accounts for reports
- Prepare reconciliations of expected and actual results

INSOLVENCY AND RECONSTRUCTIONS

Level 2 Competency

IR 1 Assist in planning an insolvency or reconstruction engagement

- Understand the scope, objective, stakeholders and terms of reference of an insolvency or reconstruction engagement
- Assist in identifying and assessing the nature and activities of the subject organisation and its environment
- Understand and be familiar with the engagement plan
- Maintain appropriate documentation

IR 2 Assess the commercial viability of an organisation

- Assess the competitive position of the organisation
- Analyse the organisation's financial position
- Review the current and future environment of the organisation
- Assist to evaluate the viability of the organisation

IR 3 Assist in identifying strategic possibilities for the engagement

- Assist to identify options
- Assist to evaluate options
- Understand the recommendations made

IR 4 Assist in managing the reconstruction of an organisation¹

- Become familiar with the reconstruction plan
- Assist to plan and implement the reconstruction plan and monitoring tools
- Assist to monitor performance

IR 5 Assist in liquidations and the winding up process when turnaround is not feasible

- Understand and apply legislation appropriate to the form of administration
- Assist to identify and realise assets
- Assist to report on outcomes

¹ Note, it is acknowledged that some trainees may not have an opportunity to be involved in a reconstruction engagement during their period of specified practical experience. Therefore, trainees completing experience in the Insolvency and Reconstruction area to Level 2 who develop competencies IR 1, 2, 3 and 5 but who are unable to develop the IR 4 competency will be considered to have met the practical experience requirements for admission to the College of Accounting Technicians.

MANAGEMENT ACCOUNTING

Level 1 Competency

MA 1 Record and evaluate costs and revenues

- Identify direct costs and different sources of revenues
- Analyse costs and revenues
- Identify, allocate and apportion overhead costs
- Prepare and evaluate estimates of costs and revenues

MA 2 Assist to prepare budgets, report financial performance and prepare forecasts

- Assist to prepare budgets
- Calculate and analyse variances between budget and actual results
- Assist to prepare forecasts of financial performance
- Code and extract information for management

MA 3 Contribute to planning and monitoring business performance

- Assist to develop financial and non-financial objectives and performance measures
- Participate in the business planning process by conducting research and analyses as required

MA 4 Assist to implement performance measurement and control systems

- Understand performance indicators set for the organisation
- Assist to assess compliance with control systems

MA 5 Participate in conducting project appraisals

- Complete cost benefit analyses
- Document the outcomes of the cost benefit analysis

MANAGEMENT ACCOUNTING

Level 2 Competency

MA 1 Participate in planning and monitoring business performance

- Contribute to developing financial and non-financial objectives and performance measures
- Participate in the business planning process

MA 2 Implement performance measurement and control systems

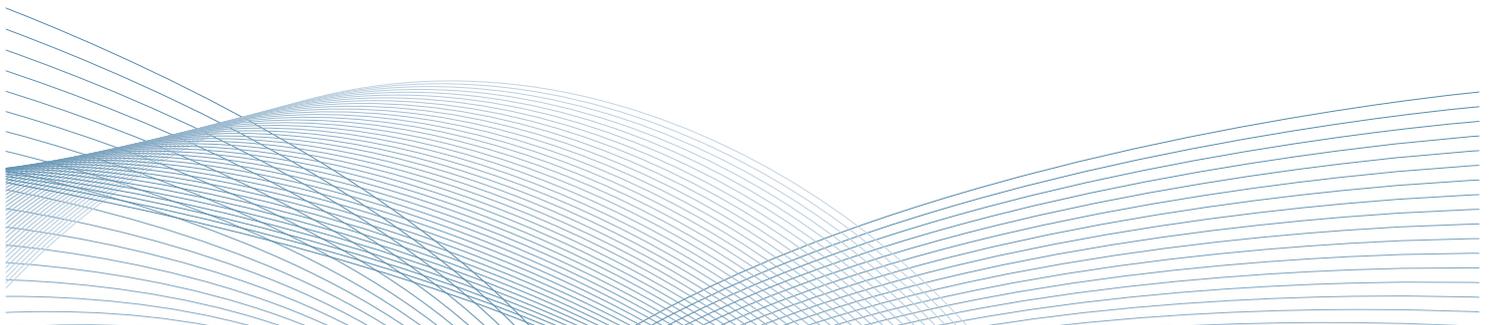
- Become familiar with performance indicators set for the organisation
- Assist to assess compliance with control systems

MA 3 Participate in the preparation of budgets, reporting financial performance and preparation of forecasts

- Participate in preparing budgets
- Calculate and analyse variances between budget and actual results
- Provide information for management
- Participate in the preparation of forecasts of financial performance

MA 4 Participate in conducting project appraisals

- Participate in analysing cash flow and financing implications of a proposed project
- Complete cost benefit analyses
- Assist to develop a project implementation plan



TAXATION

Level 1 Competency

TA 1 Understand the entity's tax profile

- Assist to identify tax compliance and filing requirements
- Develop awareness of relevant tax legislation

TA 2 Record tax liabilities and their payment

- Calculate tax liabilities
- Process data relating to liabilities and payments
- Complete reconciliations between planned and actual tax liabilities

TA 3 Prepare returns in accordance with legal requirements

- Collect relevant information for returns
- Calculate tax payable/receivable
- Prepare GST returns
- Prepare FBT returns
- Assist to prepare and file other returns and agree to notice of assessment

TAXATION

Level 2 Competency

TA 1 Understand the entity's tax profile

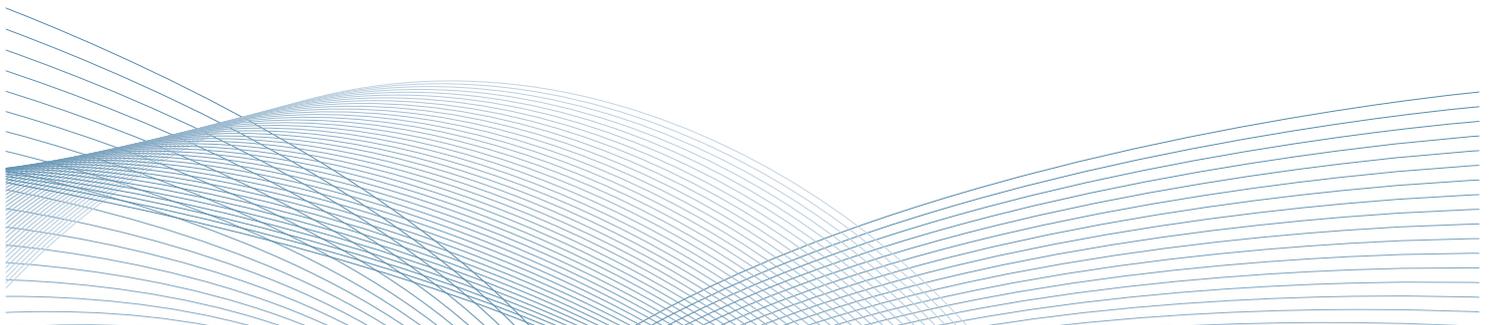
- Assist to identify and analyse tax compliance and filing requirements
- Develop awareness of new tax legislation and significant legal decisions

TA 2 Understand the entity's tax strategy

- Assist to identify and analyse specific tax planning and structuring opportunities
- Assist to analyse tax consequences of transactions and business opportunities
- Assist to plan timing of tax liabilities

TA 3 Prepare and file returns in accordance with legal requirements

- Determine tax liabilities
- Advise on tax compliance requirements
- Assist to prepare and file returns and agree to tax assessments



NON-TECHNICAL COMPETENCIES

Level 1 Competency

NT 1 Teamwork

- Work with others and in teams

NT 2 Organisational skills

- Plan, organise and monitor activities
- Use information technology effectively

NT 3 Research and evaluation

- Research, analyse and evaluate information
- Apply mathematical ideas and techniques

NT 4 Problem solving

- Solve problems and propose solutions

NT 5 Exercising ethical and professional behaviour

- Consistently demonstrate personal integrity, professional values, ethical conduct and motivation
- Adhere to the fundamental principles of the Code of Ethics
- Adhere to appropriate standards and statutes

NT 6 Communication and interpersonal skills

- Communicate ideas and information effectively and efficiently, verbally and in writing
- Identify and meet the needs of internal and external clients or stakeholders

14.0 SAMPLE TRAINING PLAN

Example of a training plan

Name: Jane Smith

Position: Accountant

Training plan for Quarter 4: January to March 2006

Competencies chosen: Management Accounting (Level 1), External Reporting (Level 1)

Competency Ref	Development Solution	Other Support/ Resources Required	Review Date	Final Completion Date (Projected)	Notes
MA 3 Contribute to planning and monitoring business performance	Budget and business planning processes. <ul style="list-style-type: none"> Provide input into budgeting process and capital expenditure plans by set deadlines as required 	Work with senior accountant. Arrange meeting to discuss involvement in this year's business planning process by Feb 15, 2006	March 2006	September 2006	Identify specific tasks after meeting with snr acct and review at next mentor meeting.
MA 2 Assist to prepare budgets, report financial performance and prepare forecasts + NT 3 Research, analyse and evaluate information + NT 1 Work with others and in teams	Analyse variances between budget and actual results each quarter.	Work with management accountant.	March 2006	?	Analyses due 3 weeks after end of each quarter.

MENTOR'S FINAL REPORT FORM



Name of provisional member: _____

Institute ID: _____

Intended College: _____

Date of final interview: _____

Period of experience: from _____ to _____

Declaration:

The mentoring relationship between _____
and myself has included the following (give a brief outline of meetings held, objectives set and achievements):

I verify that this applicant has attained the required level of competence in the following technical areas (please initial the areas that apply):

<i>Area of accounting</i>	<i>Level (insert Level 1 or 2 as appropriate)</i>
Accounting information systems	
Auditing	
External reporting	
Financial management	
Insolvency and reconstructions	
Management accounting	
Taxation	

I also verify that this applicant has attained competence to level 1 in the following non-technical areas:

Competency	Mentor initials
Teamwork	
Organisational skills	
Research and evaluation	
Problem solving	
Exercising ethical and professional behaviour	
Communication and interpersonal skills	

In my opinion the content and level of practical experience undertaken in this programme fulfils the practical experience requirements for admission to the College of Accounting Technicians.

I verify that in my opinion this person is suitable for full admission to the College of Accounting Technicians. This endorsement applies to the practical experience component of the admission requirements and is not to be used as a general reference.

Mentor signature: _____ **Date:** _____

Mentor name: _____

Institute ID: _____

MENTOR'S INTERIM REPORT



Name of provisional member: _____

Institute ID: _____

Intended College: _____

Date of last interview: _____

Period of experience: from _____ to _____

Declaration:

The mentoring relationship between _____

and myself has included the following (give a brief outline of meetings held, objectives set and achievements):

I verify that this applicant has attained competence in the following technical areas (please initial the areas that apply)

Area of Accounting	Competency – Level 1	Competency – Level 2
Accounting information systems	AIS 1 Use under supervision appropriate information systems and tools to solve business and accounting problems AIS 2 Participate in assessing accounting information systems AIS 3 Maintain security of data	AIS 1 Apply appropriate information systems and tools to business and accounting problems AIS 2 Assist to assess accounting information systems and develop an organisation's accounting information systems strategy AIS 3 Assist to design and manage accounting information systems installations and upgrades
Auditing	A 1 Understand and participate in the audit process A 2 Contribute to the completion of the audit assignment	A 1 Implement audit procedures A 2 Assist to examine compliance A 3 Be aware of audit reporting process

External reporting	<p>ER 1 Process source documents</p> <p>ER 2 Prepare ledger balances and an initial trial balance</p> <p>ER 3 Maintain financial records and prepare accounts</p> <p>ER 4 Draft financial statements</p>	<p>ER 1 Apply accounting standards</p> <p>ER 2 Understand the external reporting policies of an entity</p> <p>ER 3 Use and evaluate accounting and information systems</p> <p>ER 4 Prepare reports in accordance with requirements and policies</p>
Financial management	<p>FM 1 Assist to analyse and advise on the financial implications of an organisation's strategy</p> <p>FM 2 Participate in developing an organisation's financial strategies</p> <p>FM 3 Implement an organisation's financing operations</p>	<p>FM 1 Analyse and advise on the financial implications of an organisation's strategy</p> <p>FM 2 Assist to develop an organisation's financial strategies</p> <p>FM 3 Participate in managing financial risks for an organisation</p> <p>FM 4 Implement an organisation's financing operations</p>
Insolvency and reconstructions	<p>IR 1 Become familiar with the insolvency or reconstruction plan</p> <p>IR 2 Assist in liquidations and the winding up process when turnaround is not feasible</p> <p>IR 3 Assist to report on outcomes</p>	<p>IR 1 Assist in planning an insolvency or reconstruction engagement</p> <p>IR 2 Assess the commercial viability of an organisation</p> <p>IR 3 Assist in identifying strategic possibilities for the engagement</p>
Management accounting	<p>MA 1 Record and evaluate costs and revenues</p> <p>MA 2 Assist to prepare budgets, report financial performance and prepare forecasts</p> <p>MA 3 Contribute to planning and monitoring business performance</p> <p>MA 4 Assist to implement performance measurement and control systems</p> <p>MA 5 Participate in conducting project appraisals</p>	<p>MA 1 Participate in planning and monitoring business performance</p> <p>MA 2 Implement performance measurement and control systems</p> <p>MA 3 Participate in the preparation of budgets, reporting financial performance and preparation of forecasts</p> <p>MA 4 Participate in conducting project appraisals</p>
Taxation	<p>TA 1 Understand the entity's tax profile</p> <p>TA 2 Record tax liabilities and their payment</p> <p>TA 3 Prepare returns in accordance with legal requirements</p>	<p>TA 1 Understand the entity's tax profile</p> <p>TA 2 Understand the entity's tax strategy</p> <p>TA 3 Prepare and file returns in accordance with legal requirements</p>

I also verify that this applicant has attained competence to Level 1 in the following non-technical areas:

Competency	Mentor initials
Teamwork	
Organisational skills	
Research and evaluation	
Problem solving	
Exercising ethical and professional behaviour	
Communication and interpersonal skills	

This endorsement applies to the practical experience component of the admission requirements and is not to be used as a general reference.

Mentor signature: _____ Date: _____

Mentor name: _____

Institute ID: _____

APPLICATION FOR REGISTERED MENTOR STATUS

Please use this form to register as a mentor with the New Zealand Institute of Chartered Accountants.

The information notes attached will assist you in completing your application and provide you with guidance on the role of a mentor – please read the notes carefully.

Additional space has been provided at the end of this form, should you wish to make any further comments.



PERSONAL DETAILS *(See Information Note 1)*

Personal name(s)

Family name

Position title

Institute ID

Email

Date of birth

Current employer

Is this organisation an ATO? (Please circle) Y / N

Preferred postal address

Post code _____

City / town _____

Country

Telephone

Fax

PROFESSIONAL ACCOUNTING QUALIFICATIONS *(See Information Note 2)*

I am a member of the New Zealand Institute of Chartered Accountants and hold the following designation (please tick the appropriate designation):

CA ACA AT

OR I am a full and current member of the following professional accounting body:

My professional designation is:

and my membership number is:

LETTER OF ENDORSEMENT (See Information Note 3)

I have attached a letter of endorsement from my current employer (please tick to confirm):

PRACTICAL EXPERIENCE (See Information Note 4)

Please list the positions you have held since qualifying – you need only provide details of your experience during the past ten years.

Start date	End date	Employer	Position held

CONTINUING PROFESSIONAL DEVELOPMENT (See Information Note 5)

Mentors are required to have up-to-date knowledge of the technical aspects of the practical experience required for admission purposes and an awareness of current issues facing the profession. Undertaking regular continuing professional development (CPD) assists to update such awareness and knowledge.

I confirm that I undertake regular CPD activities and comply with the ongoing membership requirements of my College membership (please tick to confirm):

TRAINEES (See Information Note 6)

Please list the details of those trainees for whom you wish to act as mentor. Please note that the Institute recommends you mentor no more than four trainees at any one time.

Personal name	Family name	Institute ID	Provisional CA, ACA or AT	Employer

DECLARATION (See Information Note 7)

I wish to become a registered mentor with the New Zealand Institute of Chartered Accountants.

I have read and understood the *Mentor Guidelines*.

I am satisfied that I meet the requirements to become a registered mentor.

I agree that I will uphold the goals, intent, and standards of the Institute's admissions policy.

I agree to carry out the responsibilities of being a registered mentor as required by the Institute.

I agree to sign-off the competencies achieved by the trainee on a quarterly basis.

I understand that my name will appear on a list of registered mentors held by the Institute.

I declare that the details provided in this application are correct.

Signed:

Date:

INFORMATION NOTES

Application process

This application form is to be completed by those professionally qualified accountants who intend to act as mentors for trainees seeking admission to the College of Chartered Accountant or the College of Associate Chartered Accountant of the New Zealand Institute of Chartered Accountants.

Before completing this application form, it is important to have an understanding of the Institute's admissions policy, the practical experience requirements for admission, and the role and responsibilities of the mentor. This is best achieved by reading the *Mentor Guidelines* which may be viewed on the Institute's web site (www.nzica.com).

Initial consideration of your application can take up to four weeks. You will be notified when your application is approved.

If your application is approved, then your mentor status will be effective from the date that the Institute receives your application. Please note that there is currently no policy that allows this "effective date" to be applied retrospectively.

NOTE 1 PERSONAL DETAILS

Please provide a current contact address where the Institute can send any correspondence in relation to your application. If your application is approved, a copy of the *Mentor Guidelines* will be sent to the preferred postal address you have provided.

NOTE 2 PROFESSIONAL ACCOUNTING QUALIFICATIONS

Mentors must be experienced, qualified members of the accounting profession, and usually members of the Institute.

If you are not a member of the Institute, you might still be eligible to be a mentor. Please provide details of your membership with another recognised professional accounting body.

NOTE 3 LETTER OF ENDORSEMENT

Please ensure you attach a letter from your current employer endorsing your application. The letter of endorsement is an integral part of the application process as it demonstrates that your employer recognises you have the knowledge, skills and professionalism to undertake the mentoring roles and is supportive of the time that is involved in the mentoring process.

NOTE 4 EXPERIENCE

Mentors are required to possess knowledge, skills and professionalism to assist trainees to complete specified practical experience for admission purposes. Please summarise the positions you have held since becoming a qualified member. If you have more than ten years of experience as a qualified accountant, please provide details of your experience for the past ten years only.

NOTE 5 CONTINUING PROFESSIONAL DEVELOPMENT

Mentors are expected to possess knowledge of the technical aspects of the practical experience required for admission purposes, and an awareness of current issues facing the accounting profession. Please verify that you undertake regular professional development activities and comply with the ongoing membership requirements. Members of the Institute are asked to make a CPD declaration on their annual return.

NOTE 6 GRADUATE TRAINEES

Please complete the table listing the details of those trainees you wish to mentor. Where the trainee is not employed in your place of work, please attach details of your relationships with the organisation and the trainee, and outline how you intend to structure the mentoring relationship. If you do not currently have any trainees under your guidance, you may still apply to be a registered mentor.

NOTE 7 DECLARATION

All information provided with this application is covered by the declaration.

On completion of the application, please return to:

Registry Services Helpdesk

New Zealand Institute of Chartered Accountants

PO Box 11-342

Wellington

NEW ZEALAND

Telephone: +64-4 474 7840

Email: registry@nzica.com

Web site: www.nzica.com

