

STUDENT ACCOUNTANT
ACCA'S MAGAZINE
FOR TRAINEES

DECEMBER 2012

SA

BRAND MASTER

INTERVIEW WITH UNILEVER CFO

INSIDE BDO

LIFE FOR ACCA MEMBERS
IN ACCOUNTANCY FIRMS

DRAMATIC CHANGES

THE FUTURE OF ACCOUNTANTS

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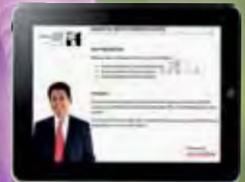
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EDITOR'S CHOICE



WELCOME TO THE DECEMBER ISSUE OF *STUDENT ACCOUNTANT*

Many of you have been preparing for exams over the last few weeks and we wish you every success if you are taking exams this month.

In this issue we find out how to analyse your exam performance straight after you leave the exam hall. Our Noticeboard section contains important information for those students taking exams, including timetables and regulations.

Our features this month include an interview with the CFO of Unilever who talks about the challenges of running a global brand, an ACCA member and student employed at accountancy firm BDO discuss their working lives.

We also take a look at what the future holds for accountancy, and how ACCA believes it can help shape that future.

In a bumper Learning Centre, we speak to students around the world to find out how they are progressing through the ACCA Qualification to membership. We also find

out how important it is to be commercially and ethically aware.

With exams imminent, the Technical section points you towards resources on the ACCA website that could help you.

We are always interested in profiling our readers, so get in touch with us at studentaccountant@accaglobal.com with your details if you want to feature in the magazine.

We hope that you enjoy this magazine and find it useful in helping you along your ACCA journey.

If you have any feedback about the magazine, please email us at studentaccountant@accaglobal.com

Victoria Morgan
Editor, *Student Accountant* magazine



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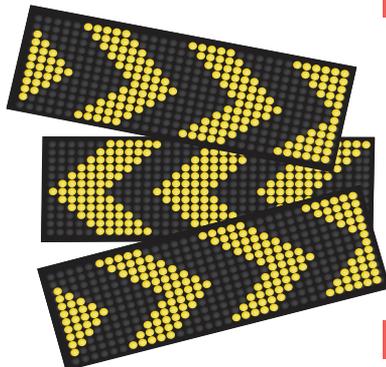


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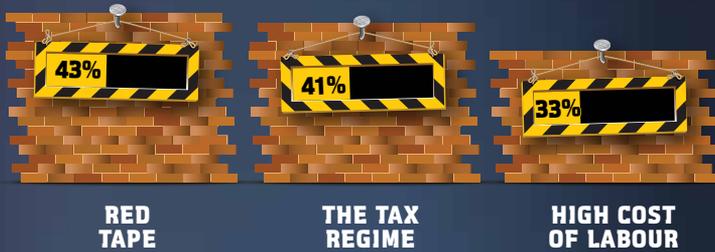
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CHINA CHECKS

Small business owners say they face three main barriers when doing business in China, according to Radar Global's Greenhouse 250, a new business confidence index of SMEs in China, Egypt, India, Malaysia, the Philippines, Thailand and the UAE.



LOVE LIVING THERE

Taking into account healthcare, education, infrastructure, culture and crime, the Economist Intelligence Unit's Global Liveability Survey rates Melbourne, in Australia as the best to live in among 140 cities. Eight of the top 10 are located in either Australia, Canada or New Zealand.

In **2010**, Asia was home to over half, or **12 OF 23**, of the world's megacities (cities with more than 10 million inhabitants each). By **2025**, the number of megacities in Asia is expected to increase to **21 OF A GLOBAL TOTAL OF 37**.

Between **1980** and **2010**, Asia added more than **ONE BILLION** people to its cities, and another billion are set to be city dwellers by **2040**. Asia is now home to almost half of all urbanites on the planet.

URBAN ASIA has high population densities and most of the world's megacities; the **THREE** most densely populated large cities in the world (Mumbai, Calcutta and Karachi) and **EIGHT OF THE 10** most densely populated, are in Asia.

MAINLAND CHINA has urbanised rapidly. **51%** of its population now live in urban areas compared with **11%** 61 years ago.

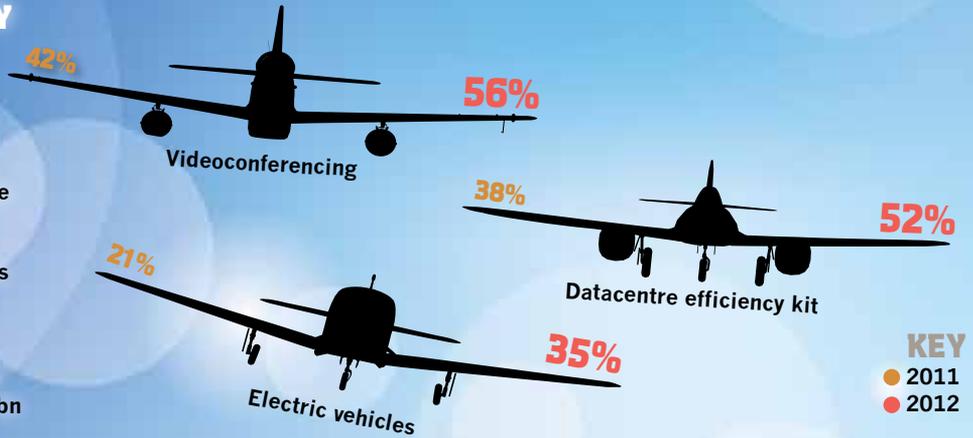
Asian cities could facilitate the development of **GREEN** technologies. Mainland China became the world's largest global producer of green technology in **2008**.

URBAN MAGNETS DRAG LABOUR OFF THE LAND

Asia is home to almost half of the global urban population, and is urbanising at a pace faster than any other region. The continent will confront enormous environmental challenges that are already serious, according to the Asian Development Bank report *Green Urbanization in Asia*.

SUSTAINABILITY ATTITUDES IN TRANSITION

CFOs are investing more in videoconferencing equipment, datacentre efficiency kit and electric vehicles, according to Deloitte's 2012 *Sustainability and the CFO Study*. Some 250 CFOs took part, from companies with more than US\$1bn in revenue each.



SINGAPORE SOARS ABOVE HONG KONG ON CORPORATE GOVERNANCE

Singapore came out ahead of Hong Kong again in a corporate governance survey by the Asian Corporate Governance Association and CLSA Asia-Pacific Markets that examined 11 markets and more than 800 listed companies. Singapore ranked 69th (67th in 2010) and Hong Kong came 66th (65th in 2010).



US



CHINA

US

US President Barack Obama is pictured in Chicago after winning last month's presidential election

CHINA

Chinese President Hu Jintao addresses delegates in Beijing, China, at the 18th Communist Party Congress. The party will use the event to persuade the nation's 1.3 billion population that it can provide another 10 years of economic growth and social stability while curbing corruption

JAPAN

Sony chief Kazuo Hirai (left) and Olympus president Hiroyuki Sasa pose for the press following the announcement of a tie-up between the two companies



JAPAN



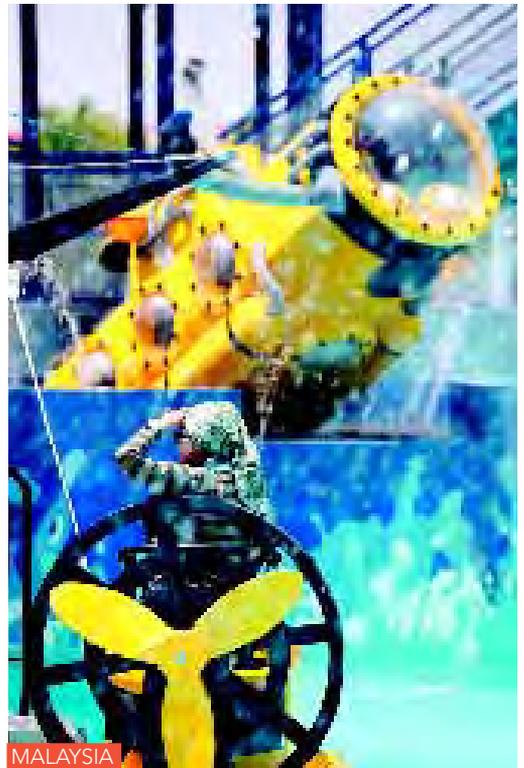
ITALY

ITALY
UK PM David Cameron flew to Rome to meet his Italian counterpart, Mario Monti, after the latter attacked moves by the UK and others to block EU funds for victims of Italy's earthquake



PAPUA NEW GUINEA

PAPUA NEW GUINEA
Prince Charles is pictured during his visit to Boera Village at the start of a 13-day tour of the southern hemisphere to mark Queen Elizabeth II's Diamond Jubilee



MALAYSIA

MALAYSIA
Legoland Malaysia, which was constructed using more than 50 million bricks, opens



UK

UK
Roberto Di Matteo becomes the latest in a succession of managers at Chelsea Football Club to be sacked, despite the club securing its seventh FA Cup and first UEFA Champions League titles during his tenure

Singapore ranks highest in Asia for corporate governance standards



STANDARDS STILL IMPROVING

Corporate governance standards are improving in Asia, according to the Asian Corporate Governance Association-CLSA Asia-Pacific Markets' Corporate Governance Watch 2012. However, some standards have slipped since the 2010 report, the scope ranging from 'relatively minor corporate transgressions to growing concerns about the reliability of financial statements and, at the extreme, outright fraud'. Singapore topped the rankings, followed by Hong Kong and Thailand, all with improved scores. China dropped four percentage points, and Japan and Taiwan by two.

G4S INQUIRY SPARKS DEPARTURES

A PwC review of G4S has concluded that the company was capable of meeting its contractual obligations to provide security for the London 2012 Olympic and Paralympic Games but failed to do so because of the way it handled the contract. Existing management and delivery structures were not sufficient to meet requirements, says the report. Both the chief operating officer and the managing director of G4S Global Events resigned in response to the report, and additional non-executive directors are being recruited. Former Deloitte global chairman John Connolly, who became G4S chairman in June, said the company accepted responsibility for its failure to deliver the contract.

LIIKANEN BANKING REFORMS

EU banks would be forced to separate their proprietary trading and other high-risk trading activities under proposals to the European Commission from its high-level expert group on banking reform. The group was chaired by Erkki Liikanen, governor of the Bank of Finland and a former European Commissioner. The report also recommends strengthening bank

governance arrangements and reviewing capital requirements related to trading assets and real estate-based lending. In addition, it calls for further consideration of the use of bail-in instruments – non-equity capital that can be written off or converted to equity when a bank hits problems.

IASB TO RE-EXPOSE STANDARD

The International Accounting Standards Board will re-expose proposals for the reform of insurance accounting following substantial changes made since the original exposure draft was published. Feedback will be sought on a limited range of questions on the proposals, with the prompt finalisation of the standard regarded as a priority. Reform may substantially affect insurers, particularly mutual insurers.

IPOs 'ON ICE'

Hong Kong is having its worst year for initial public offerings (IPOs) in a decade, the *South China Morning Post* reported in an article describing the much-hyped market as currently being 'on ice'. Disappointing outcomes of listings, the eurozone crisis and slowing

growth in the mainland have all taken their toll, compounded by the bad experience of investors who lost money in Hong Kong listings in 2011. Peter Burnett, Asian global capital markets chairman at UBS, was quoted as saying: 'There is plenty of cash, there is a history of great deals, but investor confidence is thin on the ground at the moment. Once that is restored there will be no shortage of attractive IPOs.' Only 32 IPOs were completed in Hong Kong in the first six months of 2012, according to Deloitte.

GREECE TACKLES CORRUPTION

The Greek government has pledged to adopt a 'zero-tolerance' policy towards political corruption. A list of 30 senior political figures being investigated by Greece's financial police force, the SDOE, has been published. One socialist former minister on the list subsequently committed suicide. Other names include a former city mayor, a former finance minister and the leader of a political party. However, a list of wealthy Greeks who have large deposits in Swiss bank accounts has apparently 'disappeared' from the SDOE offices.



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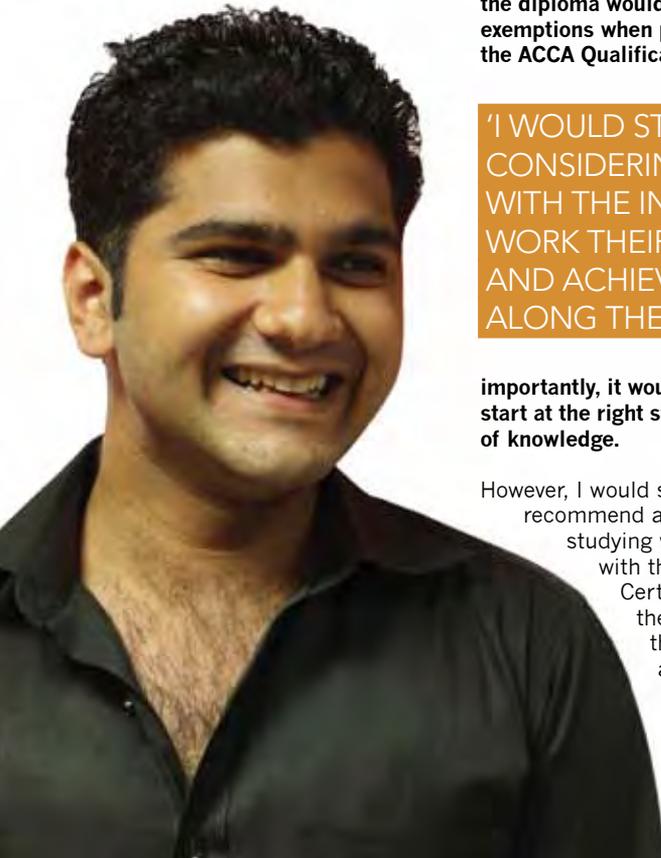
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ACHIEVE MORE. BECOME MORE.

WE MEET IZHAN NASIR AND AVIANNE WILLIAMS, WHO REVEAL THE BENEFITS OF HAVING STARTED THEIR ACCA STUDIES AT THE FOUNDATION LEVEL

IZHAN NASIR

PAKISTAN



When I first started studying with ACCA I was working towards the CAT Qualification, so had completed a number of the papers before I moved on to study for the Diploma in Accounting and Business, one of ACCA's Foundation level qualifications. I knew that gaining the diploma would allow me to claim exemptions when progressing to the ACCA Qualification but, most

knowledge you need to progress on to the ACCA Qualification. If you don't have the right qualifications, start at the beginning. There are no shortcuts. This way guarantees that you gain the knowledge to pass and move on to the ACCA Qualification.

I chose to self study for my exams. Studying on your own is not easy and does present some problems, but I

'I WOULD STRONGLY RECOMMEND ANYONE CONSIDERING STUDYING WITH ACCA TO START WITH THE INTRODUCTORY CERTIFICATE AND WORK THEIR WAY THROUGH THE DIFFERENT EXAMS AND ACHIEVE THE CERTIFICATES AND DIPLOMAS ALONG THE WAY'

importantly, it would enable me to start at the right stage for my level of knowledge.

However, I would strongly recommend anyone considering studying with ACCA to start with the Introductory Certificate and work their way through the different exams and achieve the certificates and diplomas along the way. The Foundation level papers provide you with the basic

made sure that I used approved study texts from BPP and Kaplan.

I have successfully completed the Diploma in Accounting and Business and am now working towards completing my ACCA Qualification and becoming an ACCA member. It is my career ambition to become a senior auditor. I can honestly say that starting at the Foundation level has helped me a lot because of the basic knowledge I gained.

If you are a Foundation level student, email studentaccountant@accaglobal.com to tell your story ►

AVIANNE WILLIAMS

TRINIDAD AND TOBAGO

I decided to start my studies with ACCA at the Foundation level in order to gain a solid foundation in accountancy. I believe the Foundation level awards are good preparation for studying for the ACCA Qualification – you are well equipped to tackle the higher level papers. Even if you have some knowledge of accounting, the Foundation level is good for revision purposes too.

It is really important to be adequately prepared for the exams, so I attended classes at the School of Business and Computer Science. It is also important to take some time away from studying and maintain a good work/life balance. To relax I like to listen to music, play netball and spend time with my family.

what I have learnt can benefit the organisation. Initially I thought financial accounting was my ideal role. However, I have come to realise through my studies that I have a real passion for taxation.

The Foundation level is a good start but don't be fooled into thinking this is an easy option! Some exams are tougher than others, but I would advise you to be persistent and practise consistently. There will be times when you feel discouraged, but the end results will be worth it.

If you are a Foundation level student, email studentaccountant@accaglobal.com to tell your story ►

'THE FOUNDATION LEVEL IS A GOOD START BUT DON'T BE FOOLED INTO THINKING THIS IS AN EASY OPTION! SOME EXAMS ARE TOUGHER THAN OTHERS, BUT I WOULD ADVISE YOU TO BE PERSISTENT AND PRACTISE CONSISTENTLY'

In five years I hope to move into a relevant role as an accountant in the finance department with my current employer, the Tobago Regional Health Authority. There are opportunities for me, so I hope to progress and demonstrate how



SIMON ASHWORTH

AUDIT ASSOCIATE, GRANT THORNTON UK

ACCA STUDENT SIMON ASHWORTH TALKS ABOUT HIS DECISION TO PURSUE AN ACCOUNTANCY CAREER AND HIS FUTURE GOALS. HE ALSO OFFERS SOME IMPORTANT ADVICE FOR NEWLY REGISTERED STUDENTS



Q What made you decide to pursue a career in accountancy?

I enjoyed working with numbers throughout my university studies and developed a keen interest in business. Naturally, this attracted me to accountancy and a career with Grant Thornton, which offered an opportunity to work on a diverse client base and within teams of varying experience and specialities. Furthermore, it is a career path that encourages progression and gives strong future prospects.

Q What advice would you give to someone starting out as a trainee accountant?

I would advise future trainees to consider the focus that employers place on training and development. If you are going to reach your full potential then it is important that you join a firm that recognises the importance of fulfilling your training and development requirements.

Email studentaccountant@accaglobal.com to tell your story ►

'IF YOU ARE GOING TO REACH YOUR FULL POTENTIAL THEN IT IS IMPORTANT THAT YOU JOIN A FIRM THAT RECOGNISES THE IMPORTANCE OF FULFILLING YOUR TRAINING AND DEVELOPMENT NEEDS'

Q Do you think the accountancy profession needs improving? If so, in which areas?

In terms of auditing I would like to see large companies being encouraged to use audit firms outside of the Big Four, which can improve the competition in the industry. I believe this would improve quality and also reduce the risks relating to any future failure of a large audit firm.

Q If you had not chosen to pursue an career in accountancy what other career route might you have taken?

I enjoyed studying economics so would have looked at pursuing another profession that would have enabled me to use the skills that I developed during this time. However, accountancy highly appealed to me and I was focused on a career in this industry, especially after gaining experience at a small accounts firm after university.

Q Where do you see yourself in 10 years time?

In the next few years I will qualify while gaining a diverse mix of experience from working within audit at Grant Thornton. I will consider secondment opportunities to further develop my experience and, ultimately, will aim towards an audit manager position.